



(Please scan this QR code to view the RHP)

**RED HERRING PROSPECTUS**

**Dated:** June 5, 2023

(Please read section 26 and 32 of the Companies Act, 2013)

100% Book Built Issue



**Cosmic CRF Limited**

**Corporate Identification Number:** U27100WB2021PLC250447

REGISTERED OFFICE	TELEPHONE, EMAIL AND FACSIMILE	CONTACT PERSON	WEBSITE
19, Monohar Pukur Road, Kolkata – 700 029, West Bengal, India.	<b>Telephone:</b> +91 810 086 2182; <b>E-mail:</b> cs@cosmiccrf.com <b>Facsimile:</b> +91 337 964 7499	<b>Anita Kumari Gupta</b> Company Secretary & Compliance Officer	www.cosmiccrf.com

**PROMOTER OF OUR COMPANY: ADITYA VIKRAM BIRLA**

**DETAILS OF THE ISSUE**

TYPE	FRESH ISSUE SIZE	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	18,22,000 Equity Shares aggregating to ₹ [•] Lakhs	Nil	18,22,000 Equity Shares aggregating to ₹ [•] Lakhs	This issue is being made in terms of Regulation 229 and 253(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. (The post Issue paid-up equity share capital of our Company does not exceeds ₹1,000 Lakhs)

**DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THIS IS A FRESH ISSUE OF EQUITY SHARES**

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹ 10/-. The Floor Price, Cap Price and Issue Price as determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building process, as stated under “Basis for Issue Price” on page 84 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after Listing.

**GENERAL RISKS**

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Red Herring Prospectus. Specific attention of the investors is invited of the section titled “Risk Factors” beginning on Page No. 23 of this Red Herring Prospectus.

**ISSUER’S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE”) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an ‘in-principle’ approval letter dated May 29, 2023 from BSE for using its name in this offer document for listing our shares on the SME Platform of BSE. For the purpose of this Issue, the Designated Stock Exchange will be BSE Limited (“BSE”).

**BOOK RUNNING LEAD MANAGER**

NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE
 <b>Horizon Management Private Limited</b>	Manav Goenka	<b>Telephone:</b> +91 33 4600 0607 <b>Facsimile:</b> +91 33 4600 0607 <b>Email ID:</b> smeipo@horizon.net.co

REGISTRAR TO THE ISSUE		
NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE
 <b>MAS Services Limited</b>	N C Pal	<b>Telephone:</b> +91 112 638 7281/83, 4132 0335; <b>E-mail:</b> info@masserv.com
BID/ ISSUE PERIOD		
<b>BID/ISSUE OPENS ON:</b> Wednesday, June 14, 2023	<b>BID/ISSUE CLOSES ON:</b> Friday, June 16, 2023**	

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



### Cosmic CRF Limited

Our Company was incorporated on December 21, 2021 as 'Cosmic CRF Limited', a public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the Deputy Registrar of Companies, Central Registration Centre. The corporate identification number of our Company is U27100WB2021PLC250447. Subsequently, our Company executed a business transfer agreement with Cosmic Ferro Alloys Limited on January 19, 2022, with a closing date of March 31, 2022, which was extended vide an Addendum to the Business Transfer Agreement dated August 26, 2022 with a closing date of September 15, 2022 to purchase the CRF unit located at Ajabnagar, Molla Simla, Singur, - 712 223, West Bengal, India including all its assets, employees, liens and liabilities, on a going concern basis. For further details, please see "History and Certain Corporate Matters – Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation" on page 126.

**Registered Office:** 19, Monohar Pukur Road, Kolkata – 700 029, West Bengal, India; **Telephone:** +91 810 086 2182; **E-mail:** cs@cosmiccrf.com; **Facsimile:** +91 337 964 7499; **Website:** www.cosmiccrf.com;

**Contact Person:** Anita Kumari Gupta, Company Secretary & Compliance Officer;

**Corporate Identity Number:** U27100WB2021PLC250447

#### PROMOTER OF OUR COMPANY: ADITYA VIKRAM BIRLA

#### DETAILS OF THE ISSUE

**INITIAL PUBLIC OFFER OF 18,22,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF COSMIC CRF LIMITED (THE "COMPANY" OR "COSMIC CRF" OR "ISSUER") AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹ [●] LACS ("PUBLIC ISSUE") OUT OF WHICH 91,200 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LACS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 17,30,800 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LACS IS HERINAFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.32% AND 25.00% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ALL ENGLISH EDITIONS OF BUSINESS STANDARD (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL HINDI EDITIONS OF BUSINESS STANDARD (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND BENGALI EDITION OF SUKHABAR, A BENGALI REGIONAL NEWSPAPER (BENGALI BEING THE REGIONAL LANGUAGE OF WEST BENGAL WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF BSE LIMITED ("BSE") FOR THE PURPOSES OF UPLOADING ON ITS WEBSITE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").**

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

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations, wherein not more than 1.99% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"). Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 23.02% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 74.99% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders are required to participate in the Issue by mandatorily utilizing the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. For details, see "Issue Procedure" on page 216 of this Red Herring Prospectus.

*All potential investors shall participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page 216 of this Red Herring Prospectus. A copy of Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013.*

#### ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "Issue Procedure" beginning on Page No. 216 of this Red Herring Prospectus.

#### RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the equity shares is Rs. 10/- The issue price/floor price/price band should not be taken to be indicative of the market price of the specified securities after the specified securities are listed. No assurance can be given regarding an active or sustained trading in the equity shares of the issuer nor regarding the price at which the equity shares will be traded after listing.

#### GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Red Herring Prospectus. Specific attention of the investors is invited of the section titled "Risk Factors" beginning on Page No. 23 of this Red Herring Prospectus.

#### ISSUER'S ABSOLUTE RESPONSIBILITY

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

#### LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an 'in-principle' approval letter dated May 29, 2023 from BSE for using its name in this offer document for listing our shares on the SME Platform of BSE. For the purpose of this Issue, the Designated Stock Exchange will be BSE.

#### BOOK RUNNING LEAD MANAGER

#### REGISTRAR TO THE ISSUE



**Horizon Management Private Limited**  
 19 R N Mukherjee Road, Main Building, 2<sup>nd</sup> Floor  
 Kolkata- 700 001, West Bengal, India.  
**Telephone:** +91 33 4600 0607  
**Facsimile:** +91 33 4600 0607  
**Email ID:** smeipo@horizon.net.co  
**Website:** www.horizonmanagement.in  
**Investor Grievance ID:** investor.relations@horizon.net.co  
**Contact Person:** Manav Goenka  
**SEBI Registration Number:** INM000012926  
**Validity:** Permanent

**MAS Services Limited**  
 T-34, 2<sup>nd</sup> Floor, Okhla Industrial Area, Phase - II, New Delhi -110 020, Delhi, India;  
**Telephone:** +91 112 638 7281/83, 4132 0335;  
**Facsimile:** +91 112 638 7384  
**Email ID:** [info@masserv.com](mailto:info@masserv.com)  
**Website:** [www.masserv.com](http://www.masserv.com)  
**Investor grievance:** [investor@masserv.com](mailto:investor@masserv.com)  
**Contact Person:** N C Pal  
**SEBI Registration:** INR 000000049  
**Validity:** Permanent

#### ISSUE PROGRAMME

**BID/ISSUE OPENS ON:** WEDNESDAY, JUNE 14, 2023

**BID/ISSUE CLOSING ON\*\*:** FRIDAY, JUNE 16, 2023

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

***(THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK)  
PURSUANT TO SCHEDULE VI OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF  
CAPITAL  
AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.)***

## TABLE OF CONTENTS

<b>SECTION I – GENERAL</b> .....	6
DEFINITIONS AND ABBREVIATIONS .....	6
CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION .....	15
FORWARD - LOOKING STATEMENTS.....	17
<b>SECTION II - ISSUE DOCUMENT SUMMARY</b> .....	18
<b>SECTION III – RISK FACTORS</b> .....	23
<b>SECTION IV - INTRODUCTION</b> .....	48
THE ISSUE .....	48
SUMMARY OF FINANCIAL INFORMATION.....	49
GENERAL INFORMATION .....	53
CAPITAL STRUCTURE.....	63
OBJECTS OF THE ISSUE .....	73
BASIS FOR ISSUE PRICE.....	84
STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS .....	86
<b>SECTION V – ABOUT THE COMPANY</b> .....	90
INDUSTRY OVERVIEW.....	90
OUR BUSINESS.....	106
KEY INDUSTRIAL REGULATIONS AND POLICIES.....	116
HISTORY AND CERTAIN CORPORATE MATTERS .....	124
OUR MANAGEMENT.....	127
OUR PROMOTER AND PROMOTER GROUP.....	139
OUR GROUP COMPANY .....	142
DIVIDEND POLICY .....	144
<b>SECTION VI – FINANCIAL INFORMATION</b> .....	145
RESTATED FINANCIAL INFORMATION .....	145
OTHER FINANCIAL INFORMATION .....	178
FINANCIAL INDEBTEDNESS .....	179
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS .....	182
CAPITALISATION STATEMENT .....	188
<b>SECTION VII – LEGAL AND OTHER INFORMATION</b> .....	189
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS .....	189
GOVERNMENT AND OTHER STATUTORY APPROVALS .....	194
OTHER REGULATORY AND STATUTORY DISCLOSURES .....	197
<b>SECTION VIII – ISSUE INFORMATION</b> .....	206
TERMS OF THE ISSUE.....	206
ISSUE STRUCTURE.....	213
ISSUE PROCEDURE .....	216
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES.....	242
<b>SECTION IX - DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION</b> .....	244
<b>SECTION X - OTHER INFORMATION</b> .....	269
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION .....	269
DECLARATION.....	270

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

*The words and expressions used in this Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under.*

### GENERAL AND COMPANY RELATED TERMS

<b>Term</b>	<b>Description</b>
“Company”, “our Company”, “the Company”, “the Issuer”, or “Cosmic”, “Cosmic CRF”	Cosmic CRF Limited, a company incorporated under the Companies Act, 2013, having its registered office at 19, Monohar Pukur Road, Kolkata – 700 029, West Bengal, India.
Our Promoter	Aditya Vikram Birla
Promoter Group	Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “Our Promoter and Promoter’s Group”.

### COMPANY RELATED TERMS

<b>Term</b>	<b>Description</b>
Articles / Articles of Association/AOA	Articles of Association of our Company.
Audit Committee	The Audit Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details refer section titled “Our Management” on page 127 of this Red Herring Prospectus.
Auditor / Statutory Auditor/ Peer Review Auditor	Statutory and peer review auditor of our Company, namely, <b>GARV &amp; Associates, Chartered Accountants.</b>
Bankers to the Company	Kotak Mahindra Bank Limited
Board of Directors / Board/BOD	The Board of Directors of the Company unless otherwise specified.
Companies Act	The Companies Act, 1956/2013 as amended from time to time.
CIN	Corporate Identification Number of our Company i.e. U27100WB2021PLC250447
Chief Financial Officer (CFO)	The Chief Financial officer of our Company, being Ram Pada Mandal.
Company Secretary and Compliance Officer (CS)	The Company Secretary and Compliance Officer of our Company, being <b>Anita Kumari Gupta.</b>
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director Identification Number
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company
ED	Executive Director
Year ended March 31, 2022	Year ended March 31, 2022 signifies period beginning from the date of incorporation of the Company i.e. December 21, 2021 up to March 31, 2022.
Group Companies	Companies with which there have been related party transactions, during the last three financial years, as covered under the applicable accounting standards and other companies as considered material by the Board in accordance with the Materiality Policy.
Independent Director	A non-executive & Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	INE00RA01015
Key Managerial Personnel /Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled “Our Management” on page 127 of this Red Herring Prospectus.
LLP	LLP incorporated under the Limited Liability Partnership Act, 2008.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on February 25, 2023 in accordance with the requirements of the SEBI ICDR Regulations.
MD	The Managing Director of our Company
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Non-Residents	A person resident outside India, as defined under FEMA

<b>Term</b>	<b>Description</b>
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board of Directors constituted in accordance with Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page 127 of this Red Herring Prospectus.
Non-Executive Director	A Director not being an Executive Director or an Independent Director.
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 Regulations, 2000.
Preference Shares	0.01 % Redeemable Non-Cumulative Preference Shares of face value of ₹ 10 each, issued by the Company.
Registered Office	19, Monohar Pukur Road, Kolkata – 700 029, West Bengal, India.
Restated Financial Information	<p>The Restated Financial Information of our Company, which comprises the Restated Statement of assets and liabilities, the Restated Statement of profit and loss, the Restated Statement of cash flows for the year ended on March 31, 2023 and March 31, 2022, along with the summary statement of significant accounting policies read together with the annexures and notes thereto, and the examination report thereon, as compiled from the Indian GAAP financial statements for respective period/year and in accordance with the requirements provided under the provisions of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “<i>Reports in Company Prospectuses (Revised 2019)</i>” issued by ICAI.</p> <p>Our Company was incorporated on December 21, 2021, pursuant to a certificate of incorporation issued by the Deputy Registrar of Companies, Central Registration Centre. Therefore, the Restated Financial Information have been prepared for the Financial Years ending March 31, 2023 and March 31, 2022.</p>
ROC / Registrar of Companies	Registrar of Companies, West Bengal at Kolkata, having its office at Nizam Palace, 2 <sup>nd</sup> MSO Building, 2nd floor, 234/4 A.J.C. Bose Road, Kolkata - 700 020, West Bengal, India.
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page 127 of this Red Herring Prospectus.
WTD	Whole-Time Director of our company

### **ISSUE RELATED TERMS**

<b>Terms</b>	<b>Description</b>
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue pursuant to successful Bidders
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form
ASBA Bid	A Bid made by ASBA Bidder
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants
Allottee (s)	The successful applicant to whom the Equity Shares are being / have been issued
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in paragraph titled “ <i>Basis of allotment</i> ” under chapter titled “ <i>Issue Procedure</i> ” starting from page no. 216 of this Red Herring Prospectus.
Bid	An indication to make an Issue during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term “ <i>Bidding</i> ” shall be construed accordingly.
Bid Lot	400 Equity Shares and in multiples of 400 Equity Shares thereafter
Bid/Issue Closing Date	<p>The date after which the Designated Intermediaries will not accept any Bids, being Friday, June 16, 2023, which shall be notified in all English editions of Business Standard (a widely circulated English national daily newspaper), all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper), Bengali editions of Sukhabar (a widely circulated Bengali Regional language daily newspaper) (Bengali being the regional language of West Bengal, where our Registered Office is located).</p> <p>Our Company in consultation with the BRLM, may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchange, and also be notified on the website of the</p>

Terms	Description
	BRLM and at the terminals of the Syndicate Member, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations
Bid/Issue Opening Date	The date on which the Designated Intermediaries shall start accepting Bids, being Wednesday, June 14, 2023, which shall be notified in all English editions of Business Standard (a widely circulated English national daily newspaper), all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper), Bengali editions of Sukhabar (a widely circulated Bengali Regional language daily newspaper) (Bengali being the regional language of West Bengal, where our Registered Office is located).
Bid/ Issue Period	The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders.  Our Company in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations.  In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days.
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of Red Herring Prospectus.
Bidding Centers	Centers at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for Syndicate Member, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Red Herring Prospectus.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being <b>Horizon Management Private Limited</b> , SEBI Registered Category I Merchant Banker.
Bankers to the Issue and Refund Banker and Public Issue Bank	Kotak Mahindra Bank Limited
Banker to the Issue Agreement	Agreement dated June 5, 2023 entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Banker to the Issue for collection of the Application Amounts.
Bidding Centers	Centers at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for Syndicate Member, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Broker Centers	Broker centers notified by the Stock Exchange where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Cap Price	The higher end of the Price Band, being ₹ [●]/-, subject to any revisions thereto, above which the Issue Price will not be finalized and above which no Bids will be accepted.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, and occupation and Bank Account details.
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus, after finalization of the Basis of Allotment in consultation with

Terms	Description
	the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/</a> Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where bidder can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated RTA Locations	Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated Intermediaries/ Collecting Agent	The Syndicate Member, sub-syndicate/agents, if any, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Stock Exchange	<b>SME Platform of BSE Limited ("BSE SME")</b>
DP ID	Depository Participant's Identity Number
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated April 21, 2023 filed with BSE SME in accordance with Section 32 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Escrow Account	Accounts opened with the Banker to the Issue
First/ Sole bidder	The bidder whose name appears first in the Bid cum Application Form or Revision Form.
Floor Price	The lower end of the Price Band, being ₹ [●]/-, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price will be finalized and below which no Bids will be accepted.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fresh Issue	The Issue of 18,22,000 Equity Shares aggregating up to ₹ [●] Lakhs.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (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 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI.
GIR Number	General Index Registry Number
IPO/ Issue/ Issue Size/ Public Issue	Initial Public Offering
Issue document	Includes the Draft Red Herring Prospectus, this Red Herring Prospectus and Prospectus to be filed with Registrar of Companies.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their Bidding application.
Issue Proceeds	Proceeds to be raised by our Company through this Fresh Issue, for further details please refer chapter titled "Objects of the Issue" page 73 of this Red Herring Prospectus.
Issue Opening	Our Issue shall open on Wednesday, June 14, 2023.
Issue Closing	Our Issue shall close on Friday, June 16, 2023.
Issue/ Issue Size/ Initial Public Issue/ Initial Public Offering/IPO	The initial public offering of 18,22,000 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] Lakhs.
Issue Price	The price at which the Equity Shares are being issued by our Company through this Red Herring Prospectus, being ₹ [●] /- (including share premium of ₹ [●] /- per Equity Share).

<b>Terms</b>	<b>Description</b>
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the BSE Limited.
Market Making Agreement	The Market Making Agreement dated May 11, 2023 between our Company, Book Running Lead Manager and Market Maker.
Market Maker	The Market Maker to the Issue, in this case being, Giriraj Stock Broking Private Limited.
Market Maker Reservation Portion	The reserved portion of 91,200 Equity Shares of ₹ 10 each at an Issue price of ₹ [●] each aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this Issue.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue	The Issue excluding the Market Maker Reservation Portion of 17,30,800 Equity Shares of Face Value of ₹ 10.00 each fully paid for cash at a price of ₹ [●] Equity Share aggregating ₹ [●] Lakhs by our Company.
Net Proceeds	The proceeds from the Issue less the Issue related expenses applicable to the Issue.
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Non-Institutional Applicant / Investors	All Applicants, including FPIs which are individuals, corporate bodies and family offices, that are not QIBs or RIIs and who have Application for Equity Shares for an amount of more than ₹2.00 Lakhs (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 23.02% of the Net Issue consisting of 3,98,400 Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price or through such other method of allocation as may be introduced under applicable law
Issue Agreement	Agreement dated April 21, 2023 entered amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements have been agreed to in relation to the 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 entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●]. The Price Band will be decided by our Company in consultation with the BRLM and advertised in all English editions of Business Standard (a widely circulated English national daily newspaper), all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper), Bengali editions of Sukhabar (a widely circulated Bengali Regional language daily newspaper) (Bengali being the regional language of West Bengal, where our Registered Office is located), at least two working days prior to the Bid / Issue Opening Date.
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account	Account opened with the Banker to the Issue to receive monies from the SCsBs from the bank account of the ASBA bidder, on the Designated Date.
Pricing Date	The date on which our Company, in consultation with the Manager, will finalize the Issue Price.
Qualified Institutional Buyers / QIBs	The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Qualified Institutional Portion	The portion of the Issue being not more than 1.99% of the Net Issue consisting of 34,400 Equity Shares which shall be available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion
Red Herring Prospectus / RHP	The Red Herring Prospectus dated June 5, 2023 issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto.
Refund Account	Account opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Refund Bank/ Refund Banker	Bank which is clearing member and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being Kotak Mahindra Bank Limited.
Registrar / Registrar to the Issue Regulations	Registrar to the Issue being <b>MAS Services Limited</b> . Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Retail Individual Investors / (RII)	Individual investors (including HUFs applying through their Karta and Eligible NRI Bidders) who applies or bids for the Equity Shares of a value of not more than ₹. 2,00,000.
Retail Portion	Portion of the Issue being not less than 74.99% of the Net Issue consisting of 12,98,000 Equity Shares which shall be available for allocation to RIBs (subject to valid Bids being received at or above the Issue Price), which shall not be less than the minimum Bid Lot subject to

Terms	Description
	availability in the Retail Portion, and the remaining Equity Shares to be Allotted on a proportionate basis
Registered Broker	Individuals or companies registered with SEBI as “Trading Members”(except Syndicate/ Sub-Syndicate Members, if any) who hold valid membership of either BSE or National Stock Exchange of India Limited having right to trade in stocks listed on Stock Exchange ,through which investors can buy or sell securities listed on Stock Exchange, a list of which is available on <a href="https://www.bseindia.com/">https://www.bseindia.com/</a>
Reserved Category/ Categories	Categories of persons eligible for making bid under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible bidders as provided under the SEBI (ICDR) Regulations, 2018
Revision Form	The form used by the bidders to modify the quantity of Equity Shares or the bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and Issues the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int mId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int mId=35</a>
Sponsor Bank	The Banker to the Issue registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchange and the NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars, being Kotak Mahindra Bank Limited.
Syndicate Member	The Book Running Lead Manager
Transaction Registration Slip/TRS	The slip or document issued by the Syndicate Member or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid.
Underwriter	The Book Running Lead Manager and the Market Maker shall act as the Underwriters to this Issue.
Underwriting Agreement	The Agreement dated May 11, 2023 entered into between the Company and the Underwriters.
UPI	Unified payment Interface, which is an instant payment mechanism, developed by NPCI.
UPI Circular	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022, SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI or any other governmental authority in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the Retail Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Retail Individual Bidder to such Mobile App) to the Retail Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a RII to make a Bid in the Issue in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
Wilful Defaulter	Company or person, as the case may be, categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by RBI
Working Days	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on BSE Limited, working day means all trading days of BSE Limited, excluding Sundays and bank holidays, as per circulars issued by SEBI

### **CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS**

Term	Description
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupee
“Consolidated FDI Policy” or “FDI Policy”	Consolidated Foreign Direct Investment Policy notified by DPIIT through notification dated October 28, 2020 issued by DPIIT, effective from October 15, 2020
“Financial Year” or “Fiscal Year” or “FY”	Period of 12 months ending March 31 of that particular year

<b>Term</b>	<b>Description</b>
“OCBs” or “Overseas Corporate Body”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CBDT	Central Board of Direct Taxes, Government of India
CDSL	Central Depository Services (India) Limited
Central Government	Central Government of India
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act 1956	Erstwhile Companies Act, 1956 along with the relevant rules made thereunder
Companies Act, 2013 / Companies Act	Companies Act, 2013 along with rules made thereunder
CS	Company Secretary
CSR	Corporate Social Responsibility
Depositories Act	The Depositories Act, 1996
Depository(ies)	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DP ID	Depository Participant’s Identification Number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
ECB	External Commercial Borrowings
ECB Master Directions	Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 issued by the RBI
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPF Act	Employees’ Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees’ State Insurance Act, 1948
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIR	First information report
FPIs	Foreign portfolio investors as defined and registered under the SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
GDP	Gross Domestic Product
GoI / Government	The Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income Tax Act, 1961

<b>Term</b>	<b>Description</b>
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended from time to time
ISIN	International Securities Identification Number
IT	Information Technology
MCA	The Ministry of Corporate Affairs, GoI
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended
Mn / mn	Million
MOF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
MSME	Micro, Small, and Medium Enterprises
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value per Equity Share at a particular date computed based on total equity divided by number of Equity Shares
Net Worth	Net worth as defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations, i.e., the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off as per the restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation
NR	Non-resident or person(s) resident outside India, as defined under the FE
NRE	Non- residential external
NRE Account	Non- residential external account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO	Non- resident ordinary
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
OCI	Overseas Citizen of India
ODI	Off-shore Derivate Instruments
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R&D	Research and Development
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
S&P BSE SENSEX	S&P Bombay Stock Exchange Sensitive Index
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SAT	Securities Appellate Tribunal
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, as amended
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended

<b>Term</b>	<b>Description</b>
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, since repealed and replaced by the SEBI (AIF) Regulations
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a state in India
State Government	The Government of a State of India
Stock Exchange	Unless the context requires otherwise, refers to, the BSE Limited
TDS	Tax Deducted at Source
Trademarks Act	Trademarks Act, 1999, as amended
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

### **INDUSTRY RELATED TERMS**

<b>Term</b>	<b>Description</b>
Covid-19	Coronavirus Disease
CST - 9	Central Standard Trial-9
DFC	Dedicated Freight Corridor
DFCCIL	Dedicated Freight Corridor Corporation of India Limited
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
IIP	Index of Industrial Production
IMF	International Monetary Fund
PPP	Public-Private Partnership
R2CI	Railways Policy for Connectivity to Coal and Iron Ore Mines
R3i	Railways' Infrastructure for Industry Initiative
RDSO	Research Designs and Standards Organisation
SPV	Special Purpose Vehicle
U.S.	United States of America
US\$	United States Dollar

Notwithstanding the foregoing, terms in “*Description of Equity Shares and Terms of Articles of Association*”, “*Statement of Possible Tax Benefits*”, “*Industry Overview*”, “*Key Industrial Regulations and Policies*”, “*Financial Information*”, “*Outstanding Litigation and Material Developments*” and “*Issue Procedure*” on pages 244, 86, 90, 116, 145, 189 and 216 respectively of this Red Herring Prospectus, will have the meaning ascribed to such terms in these respective sections.

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

### **Certain Conventions**

All references to “India” contained in this Red Herring Prospectus are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Red Herring Prospectus is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Red Herring Prospectus are to a calendar year.

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

### **Financial Data**

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Red Herring Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “*Financial Information*” on Page No. 145 of this Red Herring Prospectus.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year and that the financial year ended March 31, 2022 represent period from the date of incorporation, being December 21, 2021 up to March 31, 2022.

The Restated Financial Information of our Company, which comprises the Restated Statement of assets and liabilities, the Restated Statement of profit and loss, the Restated Statement of cash flows for the year ended on March 31, 2023 and March 31, 2022, along with the summary statement of significant accounting policies read together with the annexures and notes thereto, and the examination report thereon, as compiled from the Indian GAAP financial statements for respective period/year and in accordance with the requirements provided under the provisions of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “*Reports in Company Prospectuses (Revised 2019)*” issued by ICAI.

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

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on Page Nos. 23, 106 and 182 respectively, of this Red Herring Prospectus, and elsewhere in this Red Herring Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places including percentage figures in “*Risk Factors*”, “*Industry Overview*” and “*Our Business*” on Page Nos. 23, 90 and 106 respectively, this Red Herring Prospectus.

### **Currency and Units of Presentation**

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America.

Our Company has presented all numerical information in is Red Herring Prospectus in “lacs” units or in whole numbers where the numbers have been too small to represent in lacs. One lac represents 1,00,000 and one million represents 10,00,000.

### **Exchange rates**

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

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency	Exchange rate as on		
	March 31, 2023	March 31, 2022	March 31, 2021
1 USD	82.22	75.91	73.53

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

### **Industry and Market Data**

Unless stated otherwise, the industry and market data and forecasts used throughout this Red Herring Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable. The extent to which the market and industry data used in this Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, "*Basis for Issue Price*" on Page No. 84 of this Red Herring Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the BRLM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" on Page No. 23 of this Red Herring Prospectus.

## **FORWARD - LOOKING STATEMENTS**

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

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

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

1. We are required to obtain licenses and approvals under several legislations. Our inability to obtain or renew such permits, approvals and licenses in the ordinary course of our business may adversely affect our business, financial condition and results of operations.
2. There have been instances of delays of certain forms which were required to be filed as per the reporting requirements under the Companies Act, 2013 to RoC. Further, there have also been instances where our Company has inadvertently filed incorrect information with the RoC in its statutory filings.
3. We depend on our customers and any decrease in revenues or sales from any one of our key customers may adversely affect our business and results of operations.
4. An increase in the cost of or a shortfall in the availability of raw materials could have an adverse effect on our business, results of operations and financial condition.
5. We may face several risks associated with the proposed expansion of our manufacturing unit, which could hamper our growth, prospects, cash flows and business and financial condition.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on Page Nos. 23, 106 and 182, respectively, of this Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect current views as on the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Promoter, the Syndicate nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company, the Promoter and the Book Running Lead Manager will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Issue.

## **SECTION II - ISSUE DOCUMENT SUMMARY**

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with and is qualified in its entirety by, the more detailed information appearing elsewhere in this Red Herring Prospectus, including the sections entitled “*Risk Factors*”, “*Industry Overview*”, “*Outstanding Litigation and Material Developments*”, “*Our Promoter and Promoter Group*”, “*Financial Information*”, “*Objects of the Issue*”, “*Our Business*”, “*Issue Procedure*” and “*Description of Equity Shares and Terms of Articles of Association*” beginning on Page Nos. 23, 90, 189, 139, 145, 73, 106, 216 and 244 respectively of this Red Herring Prospectus.

### **1. Summary of Industry in which the Company is operating**

India has the fourth largest railway network with over 22,593 operating trains (9141 freight and 13,452 passengers) with a daily passenger count of 24 million passengers and 203.88 million tonnes of freight. In FY22 passenger traffic stood at 3.54 billion as compared to 1.28 billion in FY21. In FY 2021-22, railway freight traffic stood at 1,400 MT. Since August 2020, the Indian Railways has run 450 Kisan Rail services and was able to transport over 1.45 lakh tonnes of agricultural produce & perishables. In November 2020, India Railways announced that 40% of dedicated freight corridor (DFC) will be opened for traffic by end-FY21, while the entire 2,800 km route will be completed by June 2022. India was among the top 20 exporters of railways globally as of 2017. India’s export of railways has grown at a CAGR of 31.51% during 2010-2018 to US\$ 507.90 million. Exports of railways in 2019E stood at US\$ 635 million.

For further details, please refer to the chapter titled “*Industry Overview*” beginning on Page No. 90 of this Red Herring Prospectus.

### **2. Summary of Business**

Our Company is a qualified and an RDSO approved supplier of cold rolled stainless sections to renowned wagon manufactures such as, Titagarh Wagons Limited, Hindusthan Engineering & Industries Limited, Melbrow Engineering Works Private Limited, Jindal Rail Infrastructure Limited, Allied Construction Engineers & Fabricators, etc. In addition to this, our Company also supplies cold rolled stainless sections to direct orders of the railways through tender procurement. As of March 31, 2023, the total order book value of our Company is ₹ 53,640.82 lakhs, out of which orders amounting to ₹ 13,566.33 lakhs have been executed and orders amounting to ₹ 40,074.48 lakhs are ongoing.

For further details, please refer to chapter titled “*Our Business*” beginning on Page No. 106 of this Red Herring Prospectus.

### **3. Promoter**

The Promoter of Our Company is **Aditya Vikram Birla**. For further details please refer to the chapter titled “*Our Promoter and Promoter Group*” beginning on Page No. 139 of this Red Herring Prospectus.

### **4. Details of the Issue**

Our Company is proposing the public issue of 18,22,000 equity shares of face value of ₹ 10/- each of Cosmic CRF Limited (“**Cosmic CRF**” or the “**Company**” or the “**Issuer**”, and such equity shares the “**Equity Share**”) for cash at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share (the “**Issue Price**”) aggregating to ₹ [●] lakhs (the “**Issue**”), of which 91,200 Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share aggregating to ₹ [●] lakhs will be reserved for subscription by market maker to the Issue (the “**Market Maker Reservation Portion**”). The Issue less the Market Maker Reservation Portion i.e. Net issue of 17,30,800 Equity Shares of face value of ₹ 10/- each at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share aggregating to ₹ [●] lakhs is herein after referred to as the “**Net Issue**”. The Issue and the Net Issue will constitute 26.32% and 25.00%, respectively, of the post issue paid up Equity Share capital of our company. The face value of the Equity Shares is ₹ 10/- each.

The price band will be decided by our company in consultation with the book running lead manager (“**BRLM**”) and will be advertised in all English editions of Business Standard (a widely circulated English national daily newspaper), all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper), Bengali editions of Sukhabar (a widely circulated Bengali Regional language daily newspaper) (Bengali being the regional language of West Bengal, where our Registered Office is located), each with wide circulation, at least 2 (two) working days prior to the bid/ issue opening date with the relevant financial ratios calculated at the floor price and the cap price and shall be made available to the SME platform of BSE Limited (“**BSE SME**”, referred to as the “**Stock Exchange**”) for the purpose of uploading on their website for further details kindly refer to chapter titled “*Terms of the issue*” beginning on page 206 of this Red Herring Prospectus.

### **5. Objects of the Issue**

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

(₹ in lakhs)

Particulars	Amount
Gross Proceeds of the Issue	[●]
Less: Issue related expenses	[●]
<b>Net Proceeds of the Issue</b>	[●]

**6. Utilization of Net Issue Proceeds**

(₹ in lacs)

Sr. No.	Particulars	Estimated amount
1.	Funding the expansion of our existing manufacturing unit	Up to 3,000
2.	Funding of the working capital requirement of our Company	Up to 1,000
3.	Prepayment or repayment of all or a portion of certain unsecured loans availed by our Company	Up to 1,100
4.	General corporate purposes*	[●]

\*The amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the Issue

For further details, please see chapter titled “Objects of the Issue” beginning on Page No. 73 of this Red Herring Prospectus.

**7. Aggregate Pre Issue Shareholding of Promoter and Promoter Group**

Following are the details of the pre-Issue shareholding of Promoter:

S. No.	Particulars	No. of Equity Shares	As a % of Pre-Issue Capital	No. of Equity Shares	As a % of Post Issue Capital
<b>Promoter</b>					
1.	Aditya Vikram Birla	32,63,600	63.99	32,63,600	47.15
<b>Promoter Group</b>					
2.	Prilika Enterprises Private Limited	9,00,000	17.65	9,00,000	13.00
3.	Purvi Birla	7,50,000	14.71	7,50,000	10.84
4.	AVB Entech Private Limited	1,00,000	1.96	1,00,000	1.44
5.	Aditya Vikrma Birla HUF	5,000	0.10	5,000	0.07
6.	Gayatri Birla	1,000	0.02	1,000	0.01
	<b>Total – A</b>	<b>50,19,600</b>	<b>98.42</b>	<b>50,19,600</b>	<b>72.52</b>

For further details, please refer to the chapter titled “Capital Structure” beginning on Page No. 63 of this Red Herring Prospectus

**8. Summary of Financial Information**

Following are the details as per the Restated Financial Information as at the Financial Years ended on March 31, 2023 and 2022:

(₹ in lacs)

S. No.	Particulars	March 31, 2023 <sup>^</sup>	March 31, 2022 <sup>^</sup>
1.	Share Capital		
a)	Equity share capital	510.00	395.70
b)	Preference share capital	490.00	490.00
2.	Net Worth	1,629.40	873.10
3.	Revenue from operations	12,148.90	-
4.	Profit after Tax	641.20	(11.80)
5.	Earnings per Share	13.50	(2.52)
6.	Net Asset Value per equity share	22.34	9.70
7.	Total borrowings	3,151.33	671.72

<sup>^</sup>Our Company was incorporated on December 21, 2021, pursuant to a certificate of incorporation issued by the Deputy Registrar of Companies, Central Registration Centre. Therefore, the Restated Financial Information have been prepared for the Financial Years ending March 31, 2023 and March 31, 2022.

For further details, please refer to the section titled “Financial Information” beginning on Page No. 145 of this Red Herring Prospectus.

**9. Auditor qualifications which have not been given effect to in the Restated Financial Information**

The Restated Financial Information do not contain any qualifications by the Statutory Auditors.

## 10. Summary of Outstanding Litigation

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

### a) Litigations involving our Company

#### i) Cases filed against our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

\*To the extent quantifiable

#### ii) Cases filed by our Company:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

### b) Litigations involving our Directors

#### i) Cases filed against our Directors:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil
Legal Notices	01	Not quantifiable

#### ii) Cases filed by our Directors:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

### c) Litigations involving our Promoter

#### i) Cases filed against our Promoter:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil
Legal Notices	01	Not quantifiable

#### ii) Cases filed by our Promoter:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

For further details, please refer to the chapter titled “*Outstanding Litigations and Material Developments*” beginning on Page No. 189 of this Red Herring Prospectus.

### 11. Risk Factors

Please refer to the section titled “*Risk Factors*” beginning on Page No. 23 of this Red Herring Prospectus.

### 12. Summary of Contingent Liabilities

As per the Restated Financial Information as at Financial Years ended on March 31, 2023, following are the details of the contingent liabilities of our Company which have been recognized and reported in the Restated Financial Information:

Particulars	Amount (₹ in lakhs)
Bank Guarantee issued by SBI on behalf of the company in favour of WBSIEDCL	21.45

For further details, please refer to the chapter titled “*Restated Financial Statements*” beginning on Page No. 145 of this Red Herring Prospectus.

### 13. Summary of Related Party Transactions

As per the Restated Financial Information as at Financial Years ended on March 31, 2023 and 2022, following are the details of the related party transactions of our Company:

(Amount in Lakhs, Unless Otherwise Stated)

Sr. No.	Nature of Transaction	As at	
		31-Mar-23	31-Mar-22
1	<b>Remuneration</b>		
	Mr. Aditya Vikram Birla	28.00	-
	Mrs. Purvi Birla	3.50	-
2	<b>Loans Taken</b>		
	AVB Entech Pvt. Ltd.	25.00	-
3	<b>Interest Paid</b>		
	AVB Entech Pvt Ltd.	0.70	-
4	<b>Service Charges Received</b>		
	Prilika Enterprises Pvt. Ltd.	3.00	-
5	<b>Purchases</b>		
	Prilika Enterprises Pvt. Ltd.	134.72	-
6	<b>Rent Paid</b>		
	Prilika Enterprises Pvt. Ltd.	29.84	-
7	<b>Salary Paid</b>		
	Dipika Sahu	0.88	-
	Ram Pada Mondal	3.00	-
	Anita Gupta	1.06	-
8	<b>Job Work</b>		
	Prilika Enterprises Pvt. Ltd.	73.65	-

#### Balances Outstanding at the end of the Year

(Amount in Lakhs, Unless Otherwise Stated)

Sr. No.	Particulars	As at	
		31-Mar-23	31-Mar-22
1	Mr. Aditya Vikram Birla		
	Remuneration Payable	3.00	-
2	Mrs. Purvi Birla		
	Remuneration Payable	0.80	-
3	Ram Pada Mondal		
	Salary Payable	0.90	-
4	Anita Gupta		
	Salary Payable	0.52	-
5	Prilika Enterprises Pvt. Ltd.		
	Trade Payable	95.99	-
	Security Deposit	7.46	-

For further details, please refer to “*Restated Financial Information - Annexure 31: Statement of Related Party Transactions*” from the chapter titled “*Restated Financial Information*” on Page No. 172 of this Red Herring Prospectus.

#### 14. Financials Arrangements

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

#### 15. Weighted Average Price of the Equity Shares acquired by our Promoter in the last one year preceding the date of this Red Herring Prospectus

The details of the weighted average price of the Equity Shares acquired by our Promoter in the last one year preceding the date of this Red Herring Prospectus is as follows:

Name of Promoter	No. of shares acquired in last one year from the date of this Red Herring Prospectus	Weighted Average Price (in ₹)
Aditya Vikram Birla	10,13,600	10.00

#### 16. Average Cost of Acquisition of Equity Shares for Promoter

The average cost of acquisition of Equity Shares for the Promoter is as follows:

Name of Promoter	No. of shares held	Average Cost of Acquisition (in ₹)
Aditya Vikram Birla	32,63,600	10.00

#### 17. Pre-IPO Placement

Our Company does not contemplate any issuance or placement of Equity Shares in this Issue until the listing of the Equity Shares

#### 18. Issue of equity shares made in last one year for consideration other than cash

Our Company has not issued shares for consideration other than cash during last one year.

#### 19. Split or consolidation of Equity Shares in the last one year

No split or consolidation of equity shares has been made in the last one year prior to filing of this Red Herring Prospectus.

#### 20. Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

### **SECTION III – RISK FACTORS**

*An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. The risks described below are not the only ones relevant to us, our Equity Shares, the industry or the segment in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Issue. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.*

*To obtain a complete understanding, you should read this section in conjunction with the sections “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 90, 106 and 182 of this Red Herring Prospectus, respectively. The industry-related information disclosed in this section that is not otherwise publicly available is derived from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.*

*This Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and, in the section titled “Forward-Looking Statements” on page 17 of this Red Herring Prospectus.*

*Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Restated Financial Information.*

*Materiality:*

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

- *Some events may not be material individually but may be found material collectively;*
- *Some events may have material impact qualitatively instead of quantitatively; and*
- *Some events may not be material at present but may have a material impact in future.*

*The financial and other related implications of risks concerned, whether quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.*

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

*In this section, unless the context requires otherwise, any reference to “we”, “us” or “our” refers to Cosmic CRF Limited.*

*The risk factors are classified as under for the sake of better clarity and increased understanding.*

## INTERNAL RISK FACTORS

### BUSINESS RELATED RISKS

- 1. We are required to obtain licenses and approvals under several legislations. Our inability to obtain or renew such permits, approvals and licenses in the ordinary course of our business may adversely affect our business, financial condition and results of operations.*

We are required to obtain and renew various licenses and approvals under several legislations from time to time. These approvals, licenses, registrations and permits are subject to several conditions and are primarily valid for a specific period. However, in some cases, these licenses could have been granted for shorter period as well. These licenses contain certain terms and conditions which are required to be complied with throughout the period of the license. We cannot assure you that we shall be able to obtain or renew such licenses or be able to continuously meet such conditions specified in such licenses or be able to prove compliance with such conditions to statutory authorities, which may lead to cancellation, revocation or suspension of relevant consents/permits/licenses/approvals. We cannot assure you that we shall be able to obtain such licenses or approvals on a timely manner or at all which may affect the timelines or the operations of our Company. Further, the relevant authorities may also initiate penal actions against us, restrain our operations, impose fines/penalties or initiate legal proceedings for inability to obtain approvals in a timely manner or at all. Any such failure or delay in obtaining such consents, approvals, permits and licenses may affect our ability to continue our operations, which may in turn have an adverse effect on our business, financial condition and results of operations.

- 2. There have been instances of delays of certain forms which were required to be filed as per the reporting requirements under the Companies Act, 2013 to RoC. Further, there have also been instances where our Company has inadvertently filed incorrect information with the RoC in its statutory filings.*

In the past, there have been certain instances of delays in filing statutory forms which have been subsequently filed by payment of an additional fee as specified by RoC. The details of such instances of delayed filings have been provided below:

S. No.	Form No & Purpose	Due Date of Filing	Actual Date of Filing
1	MGT-14 (Board Resolution for right issue)	February 11, 2022	March 18, 2023
2	MGT-14 (Board Resolution for right issue)	February 17, 2022	March 18, 2023
3	MGT-14 (Board Resolution for right issue)	February 23, 2022	March 18, 2023
4	MGT-14 (Board Resolution for right issue)	March 1, 2022	March 18, 2023
5	MGT-14 (Board Resolution for right issue)	March 15, 2022	March 18, 2023
6	MGT-14 (Board Resolution for right issue)	March 27, 2022	March 18, 2023
7	MGT-14 (Board Resolution for right issue)	April 30, 2022	March 18, 2023
8	MGT-14 (Board Resolution for right issue)	August 17, 2022	March 18, 2023
9	MGT-14 (special resolution for increasing borrowing power)	September 19, 2022	March 18, 2023
10	MGT-14 (Company Secretary Appointment Anita Gupta)	March 1, 2023	March 28, 2023
11	DIR-12 (Company Secretary Resignation Dipika Sahu)	February 28, 2023	April 11, 2023
12	DIR-12 (Company Secretary Appointment Anita Gupta)	March 31, 2023	April 12, 2023
13	MGT-14 (Board Resolution for IPO)	March 24, 2023	April 13, 2023
14	MR-1 (Revised term of Managing Director)	December 1, 2022	April 14, 2023
15	MR-1 (Revised term of Whole-time Director)	December 23, 2022	April 13, 2023
16	DIR-12 (Resignation of Ram Shankar Bagchi, director)	March 24, 2023	April 17, 2023
17	MGT-14 (Revision in terms of appointment of Binod Khaitan)	March 23, 2023	April 20, 2023
18	MGT-7 (Annual Return)	January 31, 2023	February 10, 2023
19	SH-7 (Increase Authorised Capital 5 Crores to 10 Crores )	January 30, 2022	March 10, 2022
20	PAS-3 (Board Resolution for Allotment of Preference Shares)	February 28, 2022	April 11, 2022
21	PAS-3 (Board Resolution for Allotment of Equity Shares)	March 22, 2022	April 11, 2022
22	PAS-3 (Board Resolution for Allotment of equity and preference shares)	March 15, 2022	April 11, 2022
23	PAS-3 (Board Resolution for Allotment of equity and preference shares)	February 18, 2022	April 11, 2022
24	MGT-14 (Board Resolution for Approval of Accounts)	September 30, 2022	December 17, 2022
25	MGT-14 (Special Resolution for issue of Pref. Share)	February 17, 2022	April 11, 2022
26	CHG-1 (Creation of Charge of Kotak Bank)	October 6, 2022	November 3, 2022
27	CHG-1 (Modification of Charge of Kotak Bank)	January 14, 2023	January 17, 2023

There have also been instances wherein the disclosures made in the statutory filings done under Companies Act, 2013 are incomplete or erroneous in nature. While, no show cause notice in respect to the above has been received by our Company till date and no penalty or fine has been imposed by any regulatory authority in respect to the same, however it cannot be assured, that there will not be such instances in the future or our Company will not commit any further delays or defaults in relation to its reporting requirements, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. The happening of such event may cause a material effect on our results of operations and financial position.

**3. *We depend on our customers and any decrease in revenues or sales from any one of our key customers may adversely affect our business and results of operations.***

Our Company is a qualified and an RDSO approved supplier of cold rolled stainless sections to renowned wagon manufactures such as, Titagarh Wagons Limited, Hindusthan Engineering & Industries Limited, Melbrow Engineering Works Private Limited, Jindal Rail Infrastructure Limited, Allied Construction Engineers & Fabricators, etc. In addition to this, our Company also supplies cold rolled stainless sections to direct orders of the railways through tender procurement. Our business operations are highly dependent on our customers and the loss of any of our customers may adversely affect our sales and consequently on our business and results of operations.

While, we have entered into formal agreements with our customers, we cannot assure you that either of the parties will not terminate such agreement or breach any covenant of such agreements. In the event our customers breach any of the covenants of our agreements, we may need to litigate our customers or litigations may be filed against us for any breach or termination of the contract, such litigation could be time consuming and costly and the outcome cannot be guaranteed. Further, the term of the contracts entered by our Company is renewable at the end of the term, for additional periods, on terms mutually agreed between the parties, on expiry of such contracts, our customers may not renew the contracts. While the aforementioned events have occurred in the past, however, such occurrence have not materially affected our financial condition, results of operations and prospects. We cannot assure you that occurrence of any future termination and associated events, would not materially affect our financial condition, results of operations and prospects. The loss of one or more of these significant or key customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. If there occurs any change in the market conditions, requirements of our customers, or if we fail to identify and understand evolving industry trends, preferences or fail to meet our customers' demands, it might have a direct impact on our revenue and customer base. The inability to procure new orders or expand our customer base on a regular basis or at all may adversely affect our business, revenues, cash flows and operations.

**4. *An increase in the cost of or a shortfall in the availability of raw materials could have an adverse effect on our business, results of operations and financial condition.***

Production quantity and cost of our products are dependent on our ability to source raw materials and packaging materials at acceptable prices, and maintain a stable and sufficient supply of our major raw materials. Our key raw materials include best grades of steel plates and coil. We source our raw materials from qualified and RDSO approved manufacturers in order to ensure that our final products are compliant with the quality standard prescribed by our customers and regulatory authorities. There can be no assurance that we will be able to procure all of our future raw material requirements at commercially viable prices. Furthermore, in the event that such suppliers discontinue their supply to us or if we are unable to source quality raw material from other suppliers at competitive prices, we may not be able to meet our production and sales targets. Interruption of, or a shortage in the supply of, raw material may result in our inability to operate our production facilities at optimal capacities or at all, leading to a decline in production and sales. An inability to procure sufficient quality raw material at reasonable cost, or an inability to pass on any additional cost incurred on purchase of raw materials to our customers, may adversely affect our operations and financial conditions.

**5. *We may face several risks associated with the proposed expansion of our manufacturing unit, which could hamper our growth, prospects, cash flows and business and financial condition.***

We intend to utilize a portion of the Net Proceeds of this Issue towards enhancing the existing capacity of our manufacturing unit situated at Mouza, Ajabnagar, J.L. No-82, P.S. –Singur, Dist- Hooghly - 712 223, West Bengal, through installation of additional machinery and carrying out additional civil and electric works. For further details, please refer to the chapter titled “*Object of the Issue*” at page 73 of this Red Herring Prospectus.

During the process of carrying out expansion in our existing manufacturing unit, we may face several difficulties such as cost overruns or delays for various reasons, including, but not limited to, our financial condition, changes in

business strategy and external factors such as market conditions, competitive environment and interest or exchange rate fluctuations, changes in design and configuration, increase in input costs of construction materials and labour costs, incremental preoperative expenses, taxes and duties, start-up costs, interest and finance charges, working capital margin, environment and ecology costs and other external factors which may not be within the control of our management. Further, as a part of the expansion of facilities in our manufacturing unit, we intend to install machinery which are to be imported from various countries, the installation and the setting up of such machineries could require the aid and assistance of technicians. In view of the above, the commencement of the regular commercial production in our proposed manufacturing unit might suffer a delay and we may face time or cost overrun.

Any delay in carrying out expansion in our existing manufacturing unit could lead to revenue loss for our Company. Further, our expansion plan may be subject to delays and other risks, which may be caused due to certain other unforeseen events, such as unforeseen engineering or technical problems, disputes with workers, unanticipated cost increases or changes in scope and delays in obtaining certain property rights and government approvals and consents. While we may seek to minimize the risks from any unanticipated events, it cannot be assured that all potential delays could be mitigated and that we will be able to prevent any cost and time over-runs and any loss of profits resulting from such delays, shortfalls and disruptions. Further, the budgeted cost may prove insufficient to meet the requirements of the proposed capital expenditure due to, among other things, cost escalation, which could drain our internal cash flows or compel us to raise additional capital, which may not be available on terms favorable to us or at all. We cannot assure that we will be able to complete the aforementioned expansion of our manufacturing units in accordance with the proposed schedule of implementation and any delay in setting up such plants in a timely manner, or at all, could have an adverse impact on our growth, prospects, cash flows and business and financial condition. Furthermore, the quotations for plant and machinery and civil works received by us from various suppliers and contractors might expire and we may be compelled to purchase the same at a higher cost. Our financial condition, results of operations and liquidity would be materially and adversely affected if our project or construction costs materially exceed such budgeted amounts. For further details, please refer to chapters titled — “*Objects of the Issue*” and “*Our Business*” on pages 73 and 106, respectively of this Red Herring Prospectus.

6. ***We cannot assure you that the proposed expansion of our manufacturing unit will become operational as scheduled, or at all, or operate as efficiently as planned. If we are unable to commission our new facilities in a timely manner or without cost overruns, it may adversely affect our business, results of operations and financial condition.***

We intend to utilise a part of the proceeds of this Issue to expand our existing manufacturing unit situated at Mouza, Ajabnagar, J.L. No-82, P.S. –Singur, Dist- Hooghly - 712 223, West Bengal at a total estimated cost of ₹ 3,108.75 lacs. We shall be utilising ₹ 3,000.00 lacs from the Net Proceeds of the Issue towards the proposed expansion and the remaining amount shall be funded through internal accruals. Our expansion plan may be subject to delays and other risks, among other things, unforeseen engineering or technical problems, disputes with workers, force majeure events, unanticipated cost increases or changes in scope and delays in obtaining certain property rights and government approvals and consents. Further, as on the date of this Red Herring Prospectus, our Company has not commenced the civil and construction work in relation to our aforementioned capital expenditure and will apply for all such necessary approvals that it may require at the relevant stages. We cannot assure you that the necessary approvals shall be granted to us or shall be granted to us within the prescribed time period or that there will not be any delay in obtaining such approvals. Additionally, we may face risks in commissioning the proposed facility including but not limited to, delays in the construction or for other unknown reasons, our proposed facility does not function as efficiently as intended, or utilisation of the resources is not optimal, we may not be able to take additional orders to produce anticipated or desired revenue as planned any of which could result in delays, cost overruns or the termination of the plan for expansion of our manufacturing unit.

In the event of any delay in the schedule of implementation or if we are unable to complete the expansion as per the scheduled time, it could lead to revenue loss. While we may seek to minimize the risks from any unanticipated events, it cannot be assured that all potential delays could be mitigated and that we will be able to prevent any cost over-runs and any loss of profits resulting from such delays, shortfalls and disruptions. As a result our business, financial condition, results of operations and prospects could be materially and adversely affected. For further details, please refer to the chapter titled — “*Objects of the Issue*” on page 73 of this Red Herring Prospectus.

7. ***The cost estimates for the proposed expansion of our manufacturing unit situated at Singur have been derived from management estimates and quotations received from third parties and may not be accurate.***

The estimated cost of the proposed expansion of our manufacturing unit situated at Mouza, Ajabnagar, J.L. No-82, P.S. –Singur, Dist- Hooghly - 712 223, West Bengal will be approximately ₹ 3,108.75 lakhs, out of which an amount

of ₹ 3,000.00 lakhs shall be funded from the Net Proceeds. For ascertaining this cost reliance has been placed on the estimates and budgets decided based on management estimates and third party quotations received from machinery manufactures, civil and electric work contractors, and the same has not been appraised by any bank or financial institution. The actual costs of expansion of our facilities may exceed such budgeted amounts due to a variety of factors such as construction delays, interest rates, labour costs, foreign exchange rates, regulatory and environmental factors, weather conditions and our financing needs. Our financial condition, results of operations and liquidity would be materially and adversely affected if the cost estimates for the proposed expansion materially exceed the budgeted amounts. As a result our business, financial condition, results of operations and prospects could be materially and adversely affected. For further details of the scheduled operational dates of our proposed unit, see “*Objects of the Issue*” on page 73 of this Red Herring Prospectus.

8. ***Our Company is yet to place orders for 100% of the plant and machinery for the proposed expansion of our manufacturing unit. Any delay in placing orders or procurement of such plant and machinery may delay the schedule of implementation and possibly increase the cost of the proposed expansion of our manufacturing unit.***

Our Company has commissioned third party quotations for the proposed expansion of our manufacturing unit and the plant and machinery required to be installed in the said unit, for details please refer to the chapter titled “*Objects of the Issue*” on page 73 of this Red Herring Prospectus. Although, we have identified the type of plant and machinery to be purchased for the proposed facility, we are yet to place order for 100% of the plant and machinery worth ₹ 2,686.01 lacs. The cost of the machineries (including civil work) 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 100% of our plant and machinery 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 can cause time and cost overrun in the implementation of our proposed expansion of the manufacturing units 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.

9. ***Our operations are considerably located in West Bengal and failure to expand our operations may restrict our growth and adversely affect our business.***

Currently, we are carrying our business mainly in West Bengal and hence our major revenues are generated from operations in these regions only. Geographical and functional expansion of our business domain requires establishment of adequate network. As we seek to diversify our regional focus, we may face the risk that our competitors may be better known in other markets, enjoy better relationships with customers. Our lack of exposure in geographical boundaries outside our operating regions could impact our future revenues, our operating results and financial conditions.

10. ***Our Company has ventured into manufacturing of cold rolled stainless sections in 2022, and therefore has a very limited operating history of our operations with respect to the same, which will make it difficult for the investors to evaluate our historical performance or future prospects.***

Our Company was incorporated on December 21, 2021 and subsequently acquired the CRF unit located at Ajabnagar, Molla Simla, Singur, - 712 223, West Bengal, India including all its assets, employees, liens and liabilities of the seller company (“**CRF Business**”), on a going concern from Cosmic Ferro Alloys Limited pursuant to a business transfer agreement dated January 19, 2022 executed between Cosmic Ferro Alloys Limited and our Company read with an addendum dated August 26, 2022 and the addendum dated September 9, 2022 to the business transfer agreement dated January 19, 2022 (“**Business Transfer Agreement**”). For further details, please see “*History and Certain Corporate Matters – Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation*” on page 125. Since, we have a limited operating history of manufacturing cold rolled stainless sections, we may not have sufficient experience to address the risks related to the manufacturing of the said product. Due to our limited experience, we may not be able to identify the risks involved in such operations and therefore could fail to achieve timely fulfilment of our orders and the quality requirement of our products. Since we are not abreast with the market, we may not be successful in identifying our competitors or keeping up with the requirements of the customer base. We may face difficulty in understanding the demand and supply patterns, marketing segments for such products which may pose a risk in the smooth operation, and working of our proposed manufacturing unit. In the event that we fail to understand the market operations and the risks related to the same, our business, financial performance and cash flows may be affected.

**11. Our continued operations are critical to our business and any shutdown of our manufacturing units may adversely affect our business, results of operations and financial condition.**

Our manufacturing units are located in West Bengal. As a result, any local social unrest, natural disaster or breakdown of services and utilities in these areas could have material adverse effect on the business, financial position and results of our operations. Our current manufacturing units are subject to operating risks, such as breakdown or failure of equipment, power supply or processes, reduction or stoppage of water supply, performance below expected levels of efficiency, obsolescence, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities.

In the event, we are forced to shut down our manufacturing units for a prolonged period; it would adversely affect our earnings, our other results of operations and financial condition as a whole. Spiralling cost of living around our units may push our manpower costs in the upward direction, which may reduce our margin and cost competitiveness. For instance, due to the ongoing pandemic and the lockdown imposed by the Central Government and various state governments, we may be required to shut down our manufacturing units which may cause an adverse impact on our business operations, revenue, results of operations and financial conditions.

In addition to the above if our manufacturing units suffer losses as a result of any industrial accident, we may be forced to shut down our manufacturing units which could result in us being unable to meet with our commitments, which will have an adverse effect on our business, results of operation and financial condition. Further, any contravention of or non-compliance with the terms of various regulatory approvals applicable to our manufacturing units may also require us to cease or limit production until such non-compliance is remedied to the satisfaction of relevant regulatory authorities. We cannot assure you that we will not experience work disruptions in the future resulting from any dispute with our employees or other problems associated with our employees and the labor involved in our manufacturing units, which may hinder our regular operating activities and lead to disruptions in our operations, which could adversely affect our business, prospects, financial condition, cash flows and results of operations.

**12. The erstwhile Director of our Company has filed a complaint with Securities and Exchange Board of India Limited, BSE Limited and other authorities against our Promoter and Managing Director alleging that his signature on the resignation letter dated November 22, 2022 was fake and forged and therefore his resignation is unlawful.**

A complaint dated May 5, 2023 was filed by Milan Ghosh, the *erstwhile* Director of our Company against our Promoter and Managing Director, Aditya Vikram Birla, with Securities and Exchange Board of India Limited, BSE Limited and other authorities (the “**Authorities**” and such complaint, the “**Complaint**”). The complainant in the Complaint alleged that his signature on the resignation letter dated November 22, 2022 was fake and forged as the signature affixed on the resignation letter was different from his original signature. In view of the above, he alleged that his resignation from our Company is unlawful. Our Promoter *vide* a letter dated May 9, 2023 replied to the Complaint by stating that the resignation letter was submitted with the RoC in compliance with Section 168 of the Companies Act, 2013 and was also placed before the meeting of the Board of Directors held on December 2, 2022 for their noting. Furthermore, our Promoter denied the allegation levied by the complainant that his signature was forged on the resignation letter and stated that the signature affixed on the resignation letter was identical to the signature that is present on the *erstwhile* Director’s PAN card and other official documents signed by the *erstwhile* Director. We have not received any further correspondence from the complainant in this regard. For further details, please refer to the section titled “*Outstanding Litigation and Other Material Developments*” on page 189 of this Red Herring Prospectus.

We cannot assure you that any legal proceedings will not be initiated against our Promoter or that such legal proceedings will be decided in favour of our Promoter or that no liability will arise out of these proceedings. Any adverse decision may adversely affect our business, results of operations and financial condition.

**13. Our entire business operations are based out of a single manufacturing unit at Singur. Further, our manufacturing unit, our warehouses, godowns and all our facilities are currently located in one geographical area. The loss of, or shutdown of, our operations at this manufacturing or any disruption in the operation of our warehouses will adversely affect our business, financial condition and results of operations.**

Our manufacturing unit and all other facilities are based out of a single premise located in Singur, West Bengal. Accordingly, we rely exclusively on our facilities at this manufacturing unit to earn revenues, pay our operating expenses and service our debt obligations. Any significant interruption or loss or shutdown of operations at our

manufacturing unit at Singur would adversely affect our business. Our manufacturing and other business activities may be subject to unexpected interruptions, including natural or man-made disasters. Our facilities and operations could be adversely affected by, among other factors, breakdown or failure of equipment, difficulties or delays in obtaining spare parts and equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, natural disasters, raw material shortages, fire, explosion and other unexpected industrial accidents and the need to comply with the directives of relevant government authorities.

Furthermore, any significant interruption to our operations directly or indirectly as a result of any industrial accidents, severe weather or other natural disasters could materially and severely affect our business, financial condition and results of operations. Similar adverse consequences could follow if war, or war-like situation were to prevail, terrorist attacks were to affect our related infrastructure, or if the Government of India were to temporarily take over the facility during a time of national emergency. In addition, any disruption in basic infrastructure, such as in the supply of electricity could substantially increase our manufacturing costs. Any disruption of our existing supply of infrastructure services such as power or water, our failure to obtain such additional supplies as required by us or an increase in the cost of such supplies may result in additional costs to us. In such situations, our production capacity may be materially and adversely impacted. In the event our facilities are forced to shut down for a significant period of time, our earnings, financial condition and results of operation would be materially and adversely affected.

Any significant disruption, including social, political or economic factors or natural calamities or civil disruptions, impacting this region may adversely affect operations. Any failure of our systems or any shutdown of any of our manufacturing unit and facilities for any reason could result in significant increase of costs and delays in execution of orders. We do not have a diversified base of manufacturing operations, and local disturbances which would have a material adverse effect on our business, and consequently on our operations and financial condition. Further, our warehouses are subject to operating risks, such as performance below expected levels of efficiency, labour disputes, natural disasters, industrial accidents and statutory and regulatory restrictions. Any disruption of operations of our warehouses could result in delayed delivery of our product, which in turn may lead to disputes and legal proceedings with them on account of any losses suffered by them or any interruption of their business operations due to such delay or defect. While our strategic objectives include geographical expansion across India, in the event that we are unable to make available our products in a prompt manner and within the requisite timelines our business, financial condition and prospects may be adversely affected.

***14. Any failure in our quality control processes may adversely affect our business, results of operations and financial condition. We may face product liability claims and legal proceedings if the quality of our products does not meet our customers' expectations.***

Our Company is a qualified and an RDSO approved supplier of cold rolled stainless sections to renowned wagon manufactures such as, Titagarh Wagons Limited, Hindusthan Engineering & Industries Limited, Melbrow Engineering Works Private Limited, Jindal Rail Infrastructure Limited, Allied Construction Engineers & Fabricators, etc. In addition to this, our Company also supplies cold rolled stainless sections to direct orders of the railways through tender procurement. Since, our products are used by renowned wagon manufactures, the quality of our products need to meet the standard promulgated by RDSO. In the event, we are unable to meet the standards prescribed by RDSO or by our customers, our products could be rejected or returned or our license as an RDSO vendor might be cancelled.

Further, our products may contain certain quality issues or undetected errors, due to defects in manufacture of products or raw materials which are used in the products. We have implemented quality control processes for our raw materials and finished goods on the basis of internal quality standards. However, we cannot assure you that our quality control processes or our product will pass the quality tests and inspections conducted by various agencies as per their prescribed standards will not fail. Any shortcoming in the raw materials procured by us or in the production of our products due to failure of our quality control procedures, negligence and human error or otherwise, may damage our products and result in deficient products. It is imperative for us to meet the regulatory quality standards set by regulatory agencies and our customers as deviation from the same can cause them to reject our products and can also cause damage to our reputation, market standing and brand value.

In the event the quality of our products is sub-standard or our products suffer from defects and are returned by our customers due to quality complaints, we might be compelled to take back the sub-standard products and reimburse the cost paid by our customers. Such quality lapses could strain our longstanding relationship with our customers, and our reputation and brand image may suffer, which in turn may adversely affect our business, results of operations and financial condition. Our customers may lose faith in the quality of our products and could in turn refuse to further deal in our products, which could have a severe impact on our revenue and business operations. Occurrence of any of the aforementioned events could also severely impact our registration as a vendor with RDSO, which in turn impact

our business operations and our ability to complete our present and future orders. We also face the risk of legal proceedings and product liability claims being brought against us by our customers for defective products sold. We cannot assure you that we will not experience any material product liability losses in the future or that we will not incur significant costs to defend any such claims. A product liability claim may adversely affect our reputation and brand image, as well as entail significant costs.

**15. Any adverse change in regulations governing our products and the products of our customers, may adversely impact our business prospects and results of operations.**

Our Company is a qualified and an RDSO approved supplier of cold rolled stainless sections to renowned wagon manufactures. Since, we function in the railway industry, our products and business operations are highly regulated by RDSO and the Ministry of Railways, Government of India. Accordingly, the regulatory requirements with respect to our products and the products of our customers are subject to change. An adverse change in the regulations governing the development of our products and their usage by our customers, including the development of licensing requirements and technical standards and specifications or the imposition of onerous requirements, may have an adverse impact on our operations. Our Company may be required to alter our manufacturing and/or distribution process and target markets and incur capital expenditure to achieve compliance with such new regulatory requirements applicable to us and our customers.

We cannot assure you that we will be able to comply with the regulatory requirements. If we fail to comply with new statutory or regulatory requirements, there could be a delay in the submission or grant of approval for manufacturing and marketing new products or we may be required to withdraw existing products from the market. Moreover, if we fail to comply with the various conditions attached to such approvals, licenses, registrations and permissions once received, the relevant regulatory body may suspend, curtail or revoke our ability to market such products and/or we may be deemed to be in breach of our arrangements with our customers. Consequently, there is an inherent risk that we may inadvertently fail to comply with such regulations, which could lead to forced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our new products, which may adversely impact our business, results of operations and financial condition.

**16. Any delays and/or defaults in customer payments could result in increase of working capital investment and/or reduction of our Company's profits, thereby affecting our operation and financial condition.**

We are exposed to payment delays and/or defaults by our customers. Our financial position and financial performance are dependent on the creditworthiness of our customers. As per our business network model, we majorly supply our products directly to our customers without taking any advance payment or security deposit against the orders placed by them. Such delays in payments may require our Company to make a working capital investment. We cannot assure you that payments from all or any of our customers will be received in a timely manner or to that extent will be received at all. If a customer defaults in making its payments on an order on which our Company has devoted significant resources, or if an order in which our Company has invested significant resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our Company's results of operations and financial condition.

There is no guarantee on the timeliness of all or any part of our customers' payments and whether they will be able to fulfill their obligations, which may arise from their financial difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur, our financial performance and our operating cash flows may be adversely affected.

**17. Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.**

Our business requires a significant amount of working capital. As per our settled business terms, we majorly require our customers to pay the full amount of the consideration only after they receive the order, as a result, significant amounts of our working capital are often required to finance the purchase of raw material and execution of manufacturing processes before payment is received from our customers. Further, we are also required to meet the increasing demand and for achieving the same, adequate stocks have to be maintained which requires sufficient working capital. In the event, we are unable to source the required amount of working capital for addressing such increased demand of our products, we might not be able to efficiently satisfy the demand of our customers. Even if we are able to source the required amount of funds, we cannot assure you that such funds would be sufficient to meet our cost estimates and that any increase in the expenses will not affect the price of our products.

Furthermore, one of the objects of the Issue include funding working capital requirements of our Company, which is based on management estimates and certain assumptions. For more information in relation to such management estimates and assumptions, please see “*Objects of the Issue*” on page 73. Our working capital requirements may be subject to change due to factors beyond our control including force majeure conditions, an increase in defaults by our customers, non-availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

Any delay in processing our payments by our customers may increase our working capital requirement. Further, if a customer defaults in making payments for a product on which we have devoted significant resources, it could affect our profitability and liquidity and decrease the capital reserves that are otherwise available for other uses. We may file a claim for compensation of the loss that we incurred pursuant to such defaults but settlement of disputes generally takes time and financial and other resources, and the outcome is often uncertain. In general, we take provisions for bad debts, including those arising from such defaults based primarily on ageing and other factors such as special circumstances relating to special customers. There can be no assurance that such payments will be remitted by our clients to us on a timely basis or that we will be able to effectively manage the level of bad debt arising from defaults. We may also have large cash outflows, including among others, losses resulting from environmental liabilities, litigation costs, adverse political conditions, foreign exchange risks and liability claims.

All of these factors may result, in increase in the amount of receivables and short-term borrowings. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations.

- 18. *We are dependent on information technology systems in carrying out our business activities and it forms an integral part of our business. Further, if we are unable to adapt to technological changes and successfully implement new technologies or if we face failure of our information technology systems, we may not be able to compete effectively which may result in higher costs and would adversely affect our business and results of operations.***

We are dependent on information technology system in connection with carrying out our business activities and such systems form an integral part of our business. Any failure of our information technology systems could result in business interruptions, including the loss of our customers, loss of reputation and weakening of our competitive position, and could have a material adverse effect on our business, financial condition and results of operations. Additionally, our information technology systems, specifically our software may be vulnerable to computer viruses, piracy, hacking or similar disruptive problems. Computer viruses or problems caused by third parties could lead to disruptions in our business activities. Fixing such problems caused by computer viruses or security breaches may require interruptions, delays or temporary suspension of our business activities, which could adversely affect our operations. Breaches of our information technology systems may result in unauthorized access to confidential information. Such breaches of our information technology systems may require us to incur further expenditure to put in place advanced security systems to prevent any unauthorised access to our networks. In the event, any breach of our systems or software leads to the leaking of our trade secrets or any inventive techniques devised by our Company, it might lead to loss of our originality in the market and increase the chance of our products being substituted by the products of our competitors.

Our future success depends in part of our ability to respond to technological advancements and emerging standards and practices on a cost-effective and a timely basis. For instance, our Company has implemented Cloud Hosted ERP Application for accounting and MIS purpose, any failure to successfully adopt and implement such technologies in a cost-effective manner could increase our costs, thereby compelling us to bid at lower margins which might lead to loss of bidding opportunities vis-à-vis such competitors. Additionally, the government authorities may require adherence with certain technologies and we cannot assure you that we would be able to implement such technologies in a timely manner or at all. The cost of upgrading or implementing new technologies or upgrading our existing equipment or expanding our capacity could be significant, less cost effective and therefore could negatively impact our profitability, results of operations, financial condition as well as our future prospects.

- 19. *We may be unable to grow our business in additional geographic regions or international markets, which may adversely affect our business prospects and results of operations.***

Our Company seeks to grow its market reach domestically to explore untapped markets and segments; however, we cannot assure you that we will be able to grow our business as planned. Infrastructure and logistical challenges in addition to the advancement of research and development in the railways, engineering and manufacturing industry, changing customers' requirements, innovations and advancement of products offered by our competitors may prevent us from expanding our presence or increasing the penetration of our products. Further, customers may be price conscious and we may be unable to compete effectively with the products of our competitors. If we are unable to grow our business in these new markets effectively, our business prospects, results of operations and financial condition may be adversely affected.

Further, expansion into new international markets is important to our long-term prospects. Competing successfully in international markets requires additional management attention and resources to tailor our services to the unique aspects of each new country. We may face various risks, including legal and regulatory restrictions, increased advertising and brand building expenditure, challenges caused by distance, language and cultural differences, in addition to our limited experience with such markets and currency exchange rate fluctuations. International markets require a very high standard of quality of products and our Company may not be able to match the international standards thereby failing to make a brand presence in the international markets. If we are unable to make long-lasting relations with the major customers in the overseas market or if we are unable to justify the quality of our products to them, it may make it difficult for us to enter into such markets. These and other risks, which we do not foresee at present, could adversely affect any international expansion or growth, which could have an adverse effect on our business, results of operations and financial condition.

- 20. *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. We are significantly dependent on third party transportation providers for the delivery of raw materials to us and delivery of our products to our customers. 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 units 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.

- 21. *Our inability to manage inventory in an effective manner could affect our business.***

Our business model requires us to maintain a certain level of inventory to meet the present and future orders. If we underestimate the orders that we may receive we may experience inventory shortages and a loss of opportunity. Similarly, an over estimation of orders may result in over stocking leading to increased holding costs. Additionally, any over run in holding of such goods may lead to their decay. Therefore, any mismanagement on our part to determine the optimum inventory levels may impact our operations and cause us to incur losses.

- 22. *If our Company is unable to protect its intellectual property, or if our Company infringes on the intellectual property rights of others, our business may be adversely affected.***

Our Company is currently using the name and logo which is not yet registered in the name of our Company. We have made applications for registering the our logo under the Trademarks Act, 1999, however our application has been objected. Our Company is in the process of replying to the objections, however we cannot assure you that we will be

successful in rectifying our application or that we will not have change our name and logo. If we are unable to get the same registered with the trademark authorities then, our Company may not be able to successfully enforce or protect our intellectual property rights and obtain statutory protections available under the Trademarks Act, 1999, as otherwise available for registered trademarks in future could have a material adverse effect on our business and goodwill, which in turn could adversely affect our results of operations. There can be no assurance that third parties will not infringe upon our intellectual property, causing damage to our business prospects, reputation and goodwill. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect its intellectual property, which could adversely affect our business, results of operations and financial condition. For further details, please refer to the chapters titled “*Our Business*” and “*Government and other Statutory Approvals*” on pages 106 and 194, respectively of this Red Herring Prospectus.

**23. *Our industry is labour intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

We believe that the industry in which we operate faces competitive pressures in recruiting and retaining skilled and unskilled labour. We take labour on daily basis and there is no labour contract being entered into. Our industry being labour intensive is highly dependent on labour force for carrying out its business operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We have not experienced any major disruptions to our business operations due to disputes or other problems with our work force in the past; there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

**24. *Our business is dependent on a continuing relationship with our clients/customers.***

Our Company is a qualified and an RDSO approved supplier of cold rolled stainless sections to renowned wagon manufactures. We are a qualified and an RDSO approved supplier of cold rolled stainless sections to renowned wagon manufactures. Our business is therefore significantly dependent on developing and maintaining relationships with various customers. Our business will be adversely affected if we are unable to develop and maintain relationships with our clients/customers. The loss of clients/customers may have a material adverse effect on our operations.

**25. *We have significant power and water requirements for continuous running of our manufacturing units. Any disruption to our operations on account of interruption in power and water supply or any irregular or significant hike in power tariffs may have an effect on our business, results of operations and financial condition.***

Our manufacturing units significant electricity and water requirements and any interruption in the supply of power and water may temporarily disrupt our operations. Since, we have a high power and water consumption, any unexpected or unforeseen increase in the tariff rates can increase the operating cost of our manufacturing units and thereby cause an increase in the production cost which we may not be able to pass on to our customers. There are limited number of electricity providers in the areas from where we operate due to which in case of a price hike, we may not be able to find a cost-effective substitute, which may negatively affect our business, financial condition, cash flows and results of operations. For further details, please refer to the chapter titled “*Our Business*” on page 106 of this Red Herring Prospectus.

**26. *We operate in a competitive business environment and our inability to compete effectively may adversely affect our business, results of operations, financial condition and cash flows.***

The railways, engineering and manufacturing industry in India is competitive and we are required to compete both in the domestic and international markets. We may be unable to compete with the prices and products offered by our competitors. We may have to compete with new players in India and abroad who enter the market and are able to offer competing products. Our competitors may have access to greater financial, manufacturing, research and development, marketing, distribution and other resources and more experience in obtaining the relevant regulatory approvals. Increasing competition may result in pricing pressures and decreasing profit margins or loss of market share or failure to improve our market position, any of which could substantially harm our business and results of operations. We cannot assure you that we will be able to compete with our existing as well as future competitors as well as the products prices and payment terms offered by them. In addition, our customers may enter into contract manufacturing arrangements with other qualified and registered third parties, for products that they are presently purchasing from us. Our failure to successfully face existing and future competition may have an adverse impact on our business, growth and development.

Further, some of our competitors may be larger than we are or develop alliances to compete against us and may have greater resources, market presence and geographic reach and have products with better brand recognition than ours. Some of our competitors may be able to procure raw materials at lower costs than us, and consequently be able to sell their products at lower prices. As a result, our competitors may be able to withstand industry downturns better than us or provide customers with products at more competitive prices. Some of our international competitors may be able to capitalize on their overseas experience to compete in the Indian market. Consequently, we cannot assure you that we will be able to compete successfully in the future against our existing or potential competitors or that our business and results of operations will not be adversely affected by increased competition. We cannot assure you that we will be able to maintain our existing market share. Our competitors may significantly increase their marketing expenses to promote their brands and products, which may require us to similarly increase our advertising and marketing expenses and engage in effective pricing strategies, which we may not be able to pass on to our customers which in turn may have an adverse effect on our business, results of operations and financial condition. For further details, please see “*Industry Overview*” on page 90 of this Red Herring Prospectus.

**27. We have certain contingent liabilities and our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize.**

As of March 31, 2023, our contingent liabilities and commitments (to the extent not provided for) as disclosed in the notes to our Restated Financial Information aggregated to ₹ 21.45 lakhs. The details of our contingent liabilities are as follows:

Particulars	(₹ in lakhs) Amount
Bank Guarantee issued by SBI on behalf of the company in favour of WBSIEDCL	21.45
<b>Total</b>	<b>21.45</b>

For further details of contingent liability, see the section titled — “*Financial Information*” on page 145 of this Red Herring Prospectus. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

**28. Our Promoter, members of Promoter Group, Directors, Key Managerial Personnel and Senior Management have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits.**

Our Promoter, members of Promoter Group, Directors, Key Managerial Personnel and Senior Management, may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. Our Promoter, members of Promoter Group, Director, Key Managerial Personnel and Senior Management may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. For further details please refer to the paragraphs titled — “*Interest of our Directors*” in the chapter titled — “*Our Management*”, the paragraphs titled — “*Interest of our Promoter and Other Interests and Disclosures*” in the chapter titled — “*Our Promoter and Promoter Group*”, “*Financial Indebtedness*” and “*Restated Financial Information*” on pages 139, 179 and 145, respectively of this Red Herring Prospectus.

There can be no assurance that our Promoter, members of Promoter Group, Directors, Key Managerial Personnel and Senior Management will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoter and members of our Promoter Group will continue to exercise significant control over our Company,

including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Directors, our Key Management Personnel and Senior Management may take or block actions with respect to our business, which may conflict with the best interests of our Company or that of minority shareholders.

**29. *Our Promoter and members of the Promoter Group have significant control over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.***

Upon completion of this Issue, our Promoter and members of our Promoter Group will collectively hold 72.52% of the Equity share capital of our Company. As a result, our Promoter will have the ability to exercise significant influence over all matters requiring shareholders' approval. Accordingly, our Promoter will continue to retain significant control, including being able to control the composition of our Board of Directors, determine decisions requiring simple or special majority voting of shareholders, undertaking sale of all or substantially all of our assets, timing and distribution of dividends and termination of appointment of our officers, and our other shareholders may be unable to affect the outcome of such voting. There can be no assurance that our Promoter will exercise their rights as shareholders to the benefit and best interests of our Company. Further, such control could delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in our Company's best interest. The interests of our Promoter could conflict with the interests of our other equity shareholders, and our Promoter could make decisions that materially and adversely affect your investment in the Equity Shares.

**30. *The average cost of acquisition of Equity Shares held by our Promoter could be lower than the Issue Price.***

Our Promoter's average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price which is proposed to be determined on a fixed price basis. For further details regarding average cost of acquisition of Equity Shares by our Promoter in our Company and build-up of Equity Shares by our Promoter in our Company, please refer to the chapter titled "*Capital Structure*" on page 63 of this Red Herring Prospectus.

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

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing Shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

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

As of March 31, 2023, we have entered into several related party transactions with our Promoter, individuals and entities forming a part of our promoter group, Directors, Key Managerial Personnel and Senior Management relating to our operations. In addition, we have in the past also entered into transactions with other related parties. For further details, please refer to the chapter titled — "*Restated Financial Information*" at page 145.

While we believe that all our related party transactions have been conducted on an arm's length basis, we cannot assure you that we may not have achieved more favorable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

**33. *Our Promoter and Directors have extended personal guarantees with respect to various loan facilities availed by our Company. Revocation of any or all of these personal guarantees may adversely affect our business operations and financial condition.***

Our Promoter, Aditya Vikram Birla, our Directors, namely Pawan Kumar Tibrewalla and Purvi Birla have extended personal guarantees to secure the loan availed by our Company from Kotak Mahindra Bank Limited. For further details, please refer to "*Financial Indebtedness*" on page 179 of this Red Herring Prospectus. In the event any of these guarantees are revoked, our lenders may require us to furnish alternate guarantees or may demand a repayment of the

outstanding amounts under the said facilities sanctioned or may even terminate the facilities sanctioned to us. There can be no assurance that our Company will be able to arrange such alternative guarantees in a timely manner or at all. Further, if our lenders enforce any of the restrictive covenants or exercise their options under the relevant debt financing arrangement, our operations and use of assets may be significantly hampered and lenders may demand the payment of the entire outstanding amount and this in turn may also affect our further borrowing abilities thereby adversely affecting our business and operations.

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

We have entered into agreements for our borrowings with certain lenders. These borrowings include secured fund based and non-fund based facilities. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as change in capital structure, formulation of any scheme of amalgamation or reconstruction, declaring dividends, further expansion of business, granting loans to directors, repaying unsecured loans from third parties, undertake guarantee obligations on behalf of any other borrower, which require our Company to obtain prior approval of the lenders for any of the above activities. We cannot assure you that our lenders will provide us with these approvals in the future. For details of these restrictive covenants, please refer to chapter titled — “Financial Indebtedness” on page 179 of this Red Herring Prospectus.

Further, some of our financing arrangements include covenants to maintain our total outside liabilities and total net worth up to a certain limit and certain other liquidity ratios. We cannot assure prospective investors that such covenants will not hinder our business development and growth in the future. A default under one of these financing agreements may also result in cross-defaults under other financing agreements and result in the outstanding amounts under such financing agreements becoming due and payable immediately. Defaults under one or more of our Company’s financing agreements may limit our flexibility in operating our business, which could have an adverse effect on our cash flows, business, results of operations and financial condition.

It may be possible for a lender to assert that we have not complied with all applicable terms under our existing financing documents. Further we cannot assure that we will have adequate funds at all times to repay these credit facilities and may also be subject to demands for the payment of penal interest.

**35. Our Company has experienced negative cash flow in the past and may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.**

Our Company was incorporated on December 21, 2021 and commenced business operations post execution of a business transfer agreement with Cosmic Ferro Alloys Limited on January 19, 2022, with a closing date of March 31, 2022, which was extended *vide* an Addendum to the Business Transfer Agreement dated August 26, 2022 with a closing date of September 15, 2022 pursuant to which we purchased the CRF unit located at Ajabnagar, Molla Simla, Singur, - 712 223, West Bengal, India including all its assets, employees, liens and liabilities, on a going concern basis. Since, our Company commenced business operations on September 7, 2022, it experienced negative net cash flow in investing activities during the Financial Years ended March 31, 2022 and March 31, 2023, the details of which are provided below:

(₹ in lacs)		
Particulars	March 31, 2022	March 31, 2023
Net cash generated from/(used in) investing activities	(1,519.19)	(2,714.67)

We may incur negative cash flows in the future which may have a material adverse effect on our business, prospects, results of operations and financial condition.

**36. Our Company has incurred losses in the past and may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.**

Our Company was incorporated on December 21, 2021 and commenced business operations post execution of a business transfer agreement with Cosmic Ferro Alloys Limited on January 19, 2022, with a closing date of March 31, 2022, which was extended *vide* an Addendum to the Business Transfer Agreement dated August 26, 2022 with a closing date of September 15, 2022 pursuant to which we purchased the CRF unit located at Ajabnagar, Molla Simla, Singur, - 712 223, West Bengal, India including all its assets, employees, liens and liabilities, on a going concern basis. Since, our Company commenced business operations on September 7, 2022, it has incurred losses during the Financial Year ended March 31, 2022, the details of which are provided below:

(₹ in lacs)

Particulars	March 31, 2022
Amount of (loss) incurred	(11.80)

We may incur losses in the future which may have a material adverse effect on our business, prospects, results of operations and financial condition.

37. ***One of the Group Companies of our Company, Prilika Enterprises Private Limited has reported losses and negative net worth in the past and may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.***

One of the Group Companies of our Company, Prilika Enterprises Private Limited has incurred losses and negative net worth during the Financial Years ended March 31, 2022, the details of which are provided below:

(₹ in lacs)

Particulars	March 31, 2022
Amount of (loss) incurred	(12.67)
Net Worth	(10.85)

We may incur losses in the future which may have a material adverse effect on our business, prospects, results of operations and financial condition.

38. ***Our Company has availed certain unsecured loans which may be recalled at any time.***

Our Company has availed certain unsecured loans of which an amount of ₹ 1,278.36 lakhs is outstanding as on May 31, 2023, which may be recalled at any time. In the event, any of such unsecured lenders seek a repayment of any these loans, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If we are unable to arrange for any such financing arrangements, we may not have adequate working capital to undertake new projects or complete our ongoing projects. Therefore, any such demand may adversely affect our business, financial condition and results of operations. For further details, see “Financial Indebtedness” on page 179 of this Red Herring Prospectus.

39. ***In addition to our existing indebtedness for our existing operations, we may incur further indebtedness during the course of business. We cannot assure that we would be able to service our existing and/or additional indebtedness.***

As on May 31, 2023 our Company’s total outstanding secured loans are ₹ 1,854.76 lacs. In addition to the indebtedness for our existing operations, we may incur further indebtedness during the course of our business. We cannot assure you that we will be able to obtain further loans at favorable terms. Increased borrowings, if any, may adversely affect our debt-equity ratio and our ability to borrow at competitive rates. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows.

Any failure to service our indebtedness or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an adverse effect on our business, financial condition and results of operations. For details of our indebtedness, please refer to the chapter titled — “Financial Indebtedness” on page 179 of this Red Herring Prospectus.

40. ***Our Company is highly dependent on skilled contract labour for manufacturing of our products. If we are unable to continue to hire skilled contract labour, the quality of our products being manufactured in our units can get affected.***

Our operations are significantly dependent on access to a large pool of contract labour for operation of our manufacturing unit. As of March 31, 2023, while we had 29 permanent full time employees, we also employ contract labours under the Contract Labour (Regulation and Abolition) Act, 1970. The number of contract labourers employed by us varies from time to time based on the nature and extent of work in which we are involved. Our dependence on such contract labour may result in significant risks for our operations, relating to the availability and skill of such contract labourers, as well as contingencies affecting availability of such contract labour during peak periods. Further,

our manufacturing unit and our proposed manufacturing unit are surrounded by a number of industries, which may create a demand-supply gap in the labour industry which may impact our business operations. There can be no assurance that we will have adequate access to skilled workmen at reasonable rates. As a result, we may be required to incur additional costs to ensure timely execution of our projects.

Our Company appoints independent contractors who in turn engage on-site contract labourers for carrying out the manufacturing process. Although our Company does not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, we may be required to absorb a number of such contract labourers as permanent workmen. Thus, any such order from a regulatory body or court may adverse effect on our business, results of operations and financial condition. In addition, on an application made by contract labourers, an Industrial court or Tribunal may direct that the contract labourers shall be regularized or absorbed or the State Government may altogether prohibit the employment of contract labour. If either of the abovementioned events occur, we may be required to induct such labourers on our payroll, as employees, which may result in an increase in our expenses. Further, even though we have obtained all necessary approvals as required under the statutes there can be no assurance that we may continue to hold such permits, licenses or approvals. In the event of cancellation or non-renewal of our approvals it may cause an interruption of our operations and may adversely affect our business, financial condition and future results of operations. Furthermore, all contract labourers engaged in our projects receive minimum wages that are fixed by the relevant State governments, and any increase in such minimum wages payable may adversely affect our results of operations.

***41. Non-compliance with and changes in, safety, health, labour and environmental laws and other applicable regulations, may adversely affect our business, results of operations and financial condition.***

Our Company is a qualified and an RDSO approved supplier of cold rolled stainless sections to renowned wagon manufactures such as, Titagarh Wagons Limited, Hindusthan Engineering & Industries Limited, Melbrow Engineering Works Private Limited, Jindal Rail Infrastructure Limited, Allied Construction Engineers & Fabricators, etc. In accordance with the applicable regulations, it is mandatory for us to comply with extensive laws and government regulations, including in relation to safety and health protection, for further details please refer to the chapter titled “*Key Industry Regulations and Policies*” on page 116 of this Red Herring Prospectus. There is a risk that we may inadvertently fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities. India has stringent labour legislations which protect the interest of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution, working conditions, hiring and termination of employees, contract labour and work permits and maintenance of regulatory and statutory records and making periodic payments, minimum wages and maximum working hours, overtime, working conditions, etc. Our Company may be liable to the Central and State governmental bodies with respect to its failures to comply with applicable laws and regulations. Further, the adoption of new safety and health laws and regulations, new interpretations of existing laws, increased governmental enforcement of laws or other developments in the future may require that our Company make additional capital expenditures or incur additional operating expenses in order to maintain its current operations or take other actions that could adversely affect its financial condition, results of operations and cash flow. Safety and health laws and regulations in India, in particular, have been increasing in stringency and it is possible that they will become significantly more stringent in the future. The costs of complying with these requirements could be significant and may have an impact on our financial condition. Therefore, if there is any failure by us to comply with the terms of the laws and regulations governing our operations we may be involved in litigation or other proceedings, or be held liable in any litigation or proceedings, incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business and results of operations.

***42. Our operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.***

As of March 31, 2023, while we had 29 permanent full time employees, we also employ contract labours under the Contract Labour (Regulation and Abolition) Act, 1970. We believe our employees employed in our manufacturing unit are critical to maintain our competitive position. Although we have not experienced any material labour unrest, we cannot assure you that we will not experience disruptions in work or our retail operations 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 very difficult for us to predict or control and any such event could adversely affect our business, results of operations and financial condition.

**43. *Our operations can be adversely affected in case of industrial accidents at our manufacturing unit.***

Our manufacturing process requires the use of heavy machines, which makes the labour employed at our manufacturing unit prone to accidents that occur during the course of our operations resulting in personal injuries causing permanent disability or even death. While there have not been any instances of any accidents in the past, we cannot assure you that any such instances will not occur in the future, alleging that we were negligent or we did not provide adequate supervision therefore, holding us liable for injuries that were suffered during the manufacture of our products. In the event any such accidents take place in the manufacturing unit of our Company, we may get involved in litigation or other proceedings, or be held liable in any litigation or proceedings, incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business and results of operations.

**44. *We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further, we have not identified any alternate source of financing the ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our capital requirements through our bank finance, unsecured loans, 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 Issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled “*Objects of the Issue*” beginning on page 73 of this Red Herring Prospectus.

**45. *Our success largely depends upon the knowledge and experience of our Promoter, Directors, our Key Managerial Personnel and our Senior Management. Loss of any of our Directors, our Key Managerial Personnel and our Senior Management or our ability to attract and retain them could adversely affect our business, operations and financial condition.***

The growth and success of our Company’s future significantly depends upon the experience of our Promoter and continued services and the management skills of our Key Managerial Personnel and Senior Management and the guidance of our Promoter and Directors for development of business strategies, monitoring its successful implementation and meeting future challenges. We believe the expertise, experience and continued efforts of our Key Managerial Personnel and Senior Management and their inputs are valuable to for the operations of our Company. Our future success and growth depend largely on our ability to attract, motivate and retain the continued service of our highly skilled management personnel. Our Company has never been faced with a challenge of high rate of attrition of our Key Management Personnel and Senior Management in the past, however, any attrition of our experienced Key Managerial Personnel and Senior Management, would adversely impact our growth strategy. We cannot assure you that we will be successful in recruiting and retaining a sufficient number of personnel with the requisite skills to replace those Key Managerial Personnel and Senior Management who leave. In the event we are unable to motivate and retain our key managerial personnel and thereby lose the services of our highly skilled Key Managerial Personnel and Senior Management may adversely affect the operations, financial condition and profitability of our Company and thereby hampering and adversely affecting our ability to expand our business. For further details on our Directors, Key Managerial Personnel and Senior Management, please refer to the chapter titled — “*Our Management*” on page 127 of this Red Herring Prospectus.

**46. *Our Registered Office is located on premises which is not owned by us and has been obtained on lease basis. Disruption of our rights as licensee/ lessee or termination of the agreements with our licensors/ lessors would adversely impact our manufacturing operations and, consequently, our business, financial condition and results of operations.***

As on the date of this Red Herring Prospectus, our Registered office is located on properties taken on lease basis from our Group Company, namely Prilika Enterprises Private Limited. There can be no assurance that our Company will be able to successfully renew the said lease agreement in a timely manner or at all or on terms favourable to us. Further, there can be no assurance that we will not face any disruption of our rights as a lessee and that such lease agreements will not be terminated prematurely by the lessor. Any such non-renewal or early termination or any disruption of our rights as lessee will adversely affect our business, financial conditions and results of operations. For further details, see “*Our Business – Land and Property*” on page 115.

- 47. Any defect in title/ ownership of owner (s) (including our Group Company, namely Prilika Enterprises Private Limited), from whom the Company has bought space/ taken space on lease, may adversely affect the operations of the Company resulting in loss of business.**

With a view to expand the Company's business, the Company has acquired/ taken on lease and license basis various properties and entered into various contractual agreements with third parties. Any defect in the title/ ownership of such third parties with whom the Company has entered into such agreements may adversely affect the operations of the Company resulting in loss of business.

- 48. If we are unable to maintain and enhance our brand and reputation, the sales of our products may suffer which would have a material adverse effect on our business operations.**

Our business depends significantly on the strength of our brand and reputation in marketing and selling our products. We also believe that maintaining and enhancing the "Cosmic CRF" brand, is critical to maintaining and expanding our customer base. We believe that continuing to develop awareness of our brand, through focused and consistent branding and marketing initiatives is important for our ability to increase our sales volumes and our revenues, grow our existing market share and expand into new markets. Consequently, product defects, consumer complaints, or negative publicity or media reports involving us, or any of our products could harm our brand and reputation and may dilute the impact of our branding and marketing initiatives and adversely affect our business and prospects. In addition, adverse publicity about any regulatory or legal action against us could damage our reputation and brand image, undermine our consumers' confidence in us and reduce long-term demand for our products, even if the regulatory or legal action is unfounded or immaterial to our operations.

- 49. Relevant copies of previous experience of our Promoter and Directors are not traceable.**

Our Promoter and certain of our Directors, namely Purvi Birla and Pawan Kumar Tibrewalla are not able to trace the documents in relation to their previous experience. Further, our Independent Directors, Binod Kumar Khaitan and Ashok Barnwal are unable to trace relevant documents backing up their educational qualifications. The information included in the section are based on the affidavits obtained from the Promoter and Directors. Consequently, we or the Book Running Lead Manager cannot assure you that such information in relation to the particular Promoter are true and correct and you should not place undue reliance on the experience and qualification of our management included in this Red Herring Prospectus.

- 50. Information relating to the historical capacity of our production facilities included in this Red Herring Prospectus is based on various assumptions and estimates and future production and capacity may vary.**

Information relating to the historical capacity of our production facilities included in this Red Herring Prospectus is based on various assumptions including those relating to availability of raw materials and operational efficiencies. Actual production levels and rates may differ significantly from the production capacities. Undue reliance should therefore not be placed on our historical capacity information for our existing facilities included in this Red Herring Prospectus.

- 51. The requirement of funds in relation to the objects of the Issue has not been appraised.**

We intend to use the proceeds of the Issue for the purposes described in the section titled "Objects of the Issue" on page 73. The objects of the Issue have not been appraised by any bank or financial institution. These are based on management estimates and current conditions and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy. Based on the competitive nature of the industry, we may have to revise our management estimates from time to time and consequently our funding requirements may also change. 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. However, the deployment of funds is subject to monitoring by our Audit Committee. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

- 52. We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further we have not identified any alternate source of financing the 'Objects of the Issue'. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.**

As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the Issue. We meet our capital requirements through our owned funds, internal accruals and borrowing from banks. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would unable us 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 Issue or any shortfall in the Issue Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer “*Objects of the Issue*” on page 73 of this Red Herring Prospectus.

**53. *Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.***

Our operations are subject to inherent risks and hazards which may adversely impact our profitability, such as breakdown, malfunctions, sub-standard performance or failures of manufacturing equipment, fire, riots, third party liability claims, loss-in-transit for our products, accidents and natural disasters. We generally maintain insurance covering our stocks, machineries and assets at such levels that we believe to be appropriate. We have availed industrial all risk policy and disruption of service policy. There are many events that could cause significant damages to our operations, or expose us to third-party liabilities, whether or not known to us, for which we may not be insured or adequately insured, which in turn may expose us to certain risks and liabilities. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance had been availed. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part, or on time. If we were to incur a significant liability for which we were not fully insured, it could adversely affect our results of operations and financial position.

**54. *Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.***

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. Our Company has not declared dividends in the past, and there can be no assurance that our Company will declare dividends in the future also. For further details, please refer to the chapter titled “*Dividend Policy*” on page 144 of this Red Herring Prospectus.

**55. *Increased losses due to fraud, employee negligence, theft or similar incidents may have an adverse impact on us.***

Our business and the industry in which we operate are vulnerable to the problem of pilferage by employees, damage, misappropriation of cash and inventory management and logistical errors. An increase in product losses due to such factors at our place of operation may require us to install additional security and surveillance equipment and incur additional expenses towards inventory management and handling. We cannot assure you whether these measures will successfully prevent such losses. Further, there are inherent risks in cash management as part of our operations, which include theft and robbery, employee fraud and the risks involved in transferring cash to banks. Additionally, in case of losses due to theft, financial misappropriation, fire, breakage or damage caused by other casualties, we cannot assure you that we will be able to recover from our insurers the full amount of any such loss in a timely manner, or at all. In addition, if we file claims under an insurance policy it could lead to increases in the insurance premiums payable by us or the termination of coverage under the relevant policy.

**56. *The deployment of funds is entirely at our discretion and as per the details mentioned in the chapter titled “Objects of the Issue”.***

As the issue size shall be less than ₹10,000 lacs, under Regulation 262 of the SEBI ICDR Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilization of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilization of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoter shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be

specified by the SEBI, in respect to the same. For further details, please refer to the chapter titled — “*Objects of the Issue*” on page 73 of this Red Herring Prospectus.

**57. *We have not independently verified certain data in this Red Herring Prospectus.***

We have not independently verified data from the Industry and other market related data contained in this Red Herring Prospectus. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of matters relating to India, its economy or the industries in which we operate that is included herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete, inaccurate or unreliable. Due to incorrect or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

**58. *Our Company proposes to utilize part of the Net Proceeds for repayment or pre-payment, in full or in part, of all or certain unsecured borrowings availed by our Company and accordingly, the utilization of that portion of the Net Proceeds will not result in creation of any tangible assets.***

Our Company intends to utilise a part of the Net Proceeds for repayment or pre-payment, in full or in part, of all or certain unsecured borrowings availed by our Company. The details of the loans identified to be repaid or prepaid using the Net Proceeds have been disclosed in the section titled “*Objects of the Issue*” on page 73 of this Red Herring Prospectus. While we believe that utilization of Net Proceeds for repayment of secured loans would help us to reduce our cost of debt and enable the utilization of our funds for further investment in business growth and expansion, the pre-payment of loans will not result in the creation of any tangible assets for our Company.

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

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

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, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures, internal control over financial reporting and additional compliance requirements under the Companies Act, 2013. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight 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. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner.

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

The proposed fund requirement, for purchasing plant and machinery, primarily, as detailed in the chapter titled “*Objects of the Issue*” beginning on page 73 is to be 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 our future plans/strategy within the estimated time frame.

**61. *The Equity Shares have never been publicly traded and the Issue may not result in an active or liquid market for the Equity Shares.***

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchange may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for

the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. Although we currently intend that the Equity Shares will remain listed on the Stock Exchange, there is no guarantee of the continued listing of the Equity Shares. Failure to maintain our listing on the Stock Exchange or other securities markets could adversely affect the market value of the Equity Shares.

The Issue Price of the Equity Shares is proposed to be determined through a fixed price process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. You may not be able to resell your Equity Shares at a price that is attractive to you.

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

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

**63. *There is no existing market for our Equity Shares, and we do not know if one will develop to provide you with adequate liquidity. Further, an active trading market for the Equity Shares may not develop and the price of the Equity Shares may be volatile.***

An active public trading market for the Equity Shares may not develop or, if it develops, may not be maintained after the Issue. Our Company, in consultation with the Book Running Lead Manager, will determine the Issue Price. The Issue Price may be higher than the trading price of our Equity Shares following this Issue. As a result, investors may not be able to sell their Equity Shares at or above the Issue Price or at the time that they would like to sell. The trading price of the Equity Shares after the Issue may be subject to significant fluctuations in response to factors such as, variations in our results of operations, market conditions specific to the sectors in which we operate economic conditions of India and volatility of the securities markets elsewhere in the world.

**64. *The price of the Equity Shares may be highly volatile after the Issue.***

The price of the Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors, including, volatility in the Indian and global securities market; our operations and performance; performance of our competitors and the perception in the market about investments in the our industry; adverse media reports on us or the industry; changes in the estimates of our performance or recommendations by financial analysts; significant developments in India's economic liberalization and deregulation policies; and significant developments in India's fiscal and environmental regulations. There can be no assurance that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently.

**65. *You will not be able to sell immediately on the Stock Exchange any of the Equity Shares you purchase in the Issue.***

The Equity Shares will be listed on the SME Platform of BSE Limited. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Upon receipt of final approval from the Stock Exchange, trading in the Equity Shares is to commence within six (6) working days of the date of closure of the Issue or such other time as may be prescribed by SEBI.

We cannot assure that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time period prescribed by law. Further, there can be no assurance that the Equity Shares to be Allotted pursuant to this Issue will be listed on the Stock Exchange in a timely manner or at all.

**66. *There are restrictions on daily movements in the trading price of the Equity Shares, which may adversely affect a shareholder's ability to sell Equity Shares or the price at which Equity Shares can be sold at a particular point in time.***

Our listed Equity Shares will be subject to a daily “circuit breaker” imposed on listed companies by the Stock Exchange, which does not allow transactions beyond certain volatility in the trading price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on the Equity Shares’ circuit breaker will be set by the Stock Exchange based on historical volatility in the price and trading volume of the Equity Shares. The Stock Exchange are not required to inform our Company of the percentage limit of the circuit breaker, and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the trading price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

**67. *The price of the Equity Shares may be volatile, which could result in substantial losses for investors acquiring the Equity Shares in the Issue.***

The market price of the Equity Shares may be volatile and could fluctuate significantly and rapidly in response to, among others, the following factors, some of which are beyond our control:

- volatility in the Indian and global securities market or in the value of the Rupee relative to the U.S. Dollar, the Euro and other foreign currencies;
- our profitability and performance;
- changes in financial analysts’ estimates of our performance or recommendations;
- perceptions about our future performance or the performance of Indian companies in general;
- performance of our competitors and the perception in the market about investments in the real estate sector;
- adverse media reports about us or the Indian real estate sector;
- significant developments in India’s economic liberalisation and deregulation policies;
- significant developments in India’s fiscal and environmental regulations;
- economic developments in India and in other countries; and
- any other political or economic factors.

These fluctuations may be exaggerated if the trading volume of the Equity Shares is low. Volatility in the price of the Equity Shares may be unrelated or disproportionate to our results of operations. It may be difficult to assess our performance against either domestic or international benchmarks.

Indian stock exchanges, including the Stock Exchange, have experienced substantial fluctuations in the prices of listed securities and problems such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. The governing bodies of Indian stock exchanges have also, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Further, disputes have occurred between listed companies, stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment. If such or similar problems were to continue or recur, they could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares.

**68. *Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoter or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through further issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoter and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoter and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

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

*of the Equity Shares.*

Any instance of disinvestments of Equity Shares by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sale of Equity Shares might occur.

**70. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

**EXTERNAL RISK FACTORS**

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

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax ("**GST**") regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the amendment of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST. The Government has enacted the GAAR which have come into effect from April 1, 2017.

The Government of India has announced the union budget for Fiscal 2024 and the Ministry of Finance has notified the Finance Act, 2023 ("**Finance Act**"). There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act would have a material adverse effect on our business, financial condition and results of operations. Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has, in a decision clarified the components of basic wages, which need to be considered by companies while making provident fund payments. Our Company has not made relevant provisions for the same, as on date. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Further, the Personal Data Protection Bill, 2019 ("**PDP Bill**") was introduced to propose a legal framework governing the processing of personal data. However, the PDP Bill has been withdrawn on August 3, 2022 and the Ministry of Electronics and Information Technology, Government of India ("**MoEIT**") has submitted a new Digital Personal Data Protection Bill, 2022 before the Parliament.

We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

**72. *Changes in interest rates in India could adversely affect our business and the market for our real estate developments.***

Our results of operations, and the purchasing power of our real estate customers, are substantially affected by prevailing interest rates and the availability of credit in the Indian economy. Interest rates in India have fluctuated over the last few years. Our ability to borrow funds for the development of our real estate projects is affected in part by the prevailing interest rates available to us from leading Indian banks. Changes in prevailing interest rates affect our interest expense in respect of our future borrowings, and our interest income in respect of our interest on short-term deposits with banks and loans to associates. Significantly, the interest rate at which we may borrow funds, and

the availability of capital to us for development purposes, affects our results of operations by limiting or facilitating the number of projects we may undertake and determining the return which we must obtain from each project to meet our obligations under our borrowings.

Changes in interest rates also affect the ability and willingness of our prospective real estate customers, particularly the customers for our residential properties, to obtain financing for their purchases of our completed developments. The interest rate at which our real estate customers may borrow funds for the purchase of our properties affects the affordability and purchasing power of, and hence the demand for, our real estate developments.

There can be no assurance that variations in interest rates and interest rate policy by the RBI will not adversely affect our financial condition and results of operations.

**73. *Our business is substantially affected by prevailing economic conditions in India.***

We perform all of our business activities in India, all of our operations are located in Singur (West Bengal), India, and the predominant portions of our customers are Indian nationals. As a result, we are highly dependent on prevailing economic conditions in India and our results of operation are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, include:

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our real estate developments and the purchase thereof by our customers;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India's present tax, trade, fiscal or monetary policies;
- natural disasters, political instability, communal disturbances, riots, civil unrest, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- prevailing national, regional or global economic conditions, including in India's principal export markets; and
- other significant regulatory or economic developments in or affecting India or its real estate development sector.

In addition to the factors set forth above, our business may be affected by adverse changes specific to the residential, and office space real estate markets. Demand in the residential real estate market may be adversely affected by changes such as a decrease in disposable income or a rise in residential mortgage rates or a decline in the population. Demand for our office space developments may be adversely affected by deteriorating economic conditions that could prompt current and potential tenants to place any expansion plans on hold or to search for locations with lower rental rates.

**74. *Foreign investors are subject to foreign investment restrictions under Indian law.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection or a tax clearance certificate from the income tax authority. We cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

**75. *Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

**76. *Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments

in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

**77. *Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance of our business. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence and spending. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

**78. *Natural calamities could have a negative impact on the Indian economy and cause our business to suffer.***

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

**79. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well as the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

## SECTION IV - INTRODUCTION

### THE ISSUE

<b>PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS</b>	
<b>Equity Shares Offered through Public Issue<sup>(1)(2)</sup></b>	18,22,000 Equity Shares aggregating to Rs. [●] Lakhs.
<i>Out of which:</i>	
<b>Issue Reserved for the Market Maker</b>	91,200 Equity Shares aggregating to Rs. [●] Lakhs.
<b>Net Issue to the Public</b>	17,30,800 Equity Shares aggregating to Rs. [●] Lakhs.
<i>Out of which*</i>	
A. QIB Portion <sup>(4) (5)</sup>	Not more than 34,400 Equity Shares aggregating up to Rs. [●] lakhs
<i>Of which</i>	
(a) Available for allocation to Mutual Funds only (5% of the QIB Portion)	2,000 Equity Shares aggregating up to Rs. [●] lakhs
(b) Balance of QIB Portion for all QIBs including Mutual Funds	32,400 Equity Shares aggregating up to Rs. [●] lakhs
B. Non-Institutional Portion	Not less than 3,98,400 Equity Shares aggregating up to Rs. [●] lakhs
C. Retail Portion	Not less than 12,98,000 Equity Shares aggregating up to Rs. [●] lakhs
<b>Pre and Post – Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	51,00,000 Equity Shares of face value of Rs.10 each
<b>Equity Shares outstanding after the Issue</b>	69,22,000 Equity Shares of face value Rs.10 each
<b>Use of Net Proceeds by our Company</b>	Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 73 of this Red Herring Prospectus.

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

#### **Notes:**

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on February 25, 2023 read with the resolution passed by the Board of Directors in their meeting held on June 5, 2023, and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on March 20, 2023.
- 3) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Retail Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.
- 4) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 1.99% of the Net Issue to QIB and not less than 74.99% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 23.02% of the Net Issue shall be available for allocation to Non-institutional bidders.
- 5) Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.  
For details, including grounds for rejection of Bids, refer to “Issue Structure” and “Issue Procedure” on page 213 and 216, respectively. For details of the terms of the Issue, see “Terms of the Issue” on page 206.

### **SUMMARY OF FINANCIAL INFORMATION**

*The following tables provide the summary of financial information of our Company derived from the Restated Financial Information as at and for the Financial Years ended March 31, 2023 and 2022. The Restated Financial Information referred to above is presented under the section titled "Financial Information" beginning on Page No. 145 of this Red Herring Prospectus. The summary of financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the chapters titled "Financial Information" and "Management's Discussion and Analysis of Financial Position and Results of Operations" beginning on Page Nos. 145 and 182, respectively of this Red Herring Prospectus.*

*(The remainder of this page is intentionally left blank)*

**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

*(Amount in Rs. Lakhs, unless mentioned otherwise)*

PARTICULARS		AS AT	
		31-Mar-23	31-Mar-22
<b>A)</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1.</b>	<b>Shareholders' Funds</b>		
(a)	Share Capital	1,000.00	885.70
(b)	Reserves & Surplus	629.40	(11.80)
	<b>Total (A)</b>	<b>1,629.40</b>	<b>873.90</b>
<b>2.</b>	<b>Non Current Liabilities</b>		
(a)	Long Term Borrowings	2,665.67	671.72
(b)	Deferred Tax Liabilities (Net)	27.81	-
	<b>Total (B)</b>	<b>2,693.48</b>	<b>671.72</b>
<b>3.</b>	<b>Current Liabilities</b>		
(a)	Short Term Borrowings	485.66	-
(b)	Trade Payables		
(i)	total outstanding dues to micro enterprises and small enterprises	95.99	-
(ii)	total outstanding dues to creditor other than micro enterprises and small enterprises	1,798.19	6.17
(c)	Other Current Liabilities	110.46	53.23
(d)	Short Term Provisions	62.06	-
	<b>Total (C)</b>	<b>2,552.36</b>	<b>59.40</b>
	<b>Total Equity and Liabilities (A+B+C)</b>	<b>6,875.24</b>	<b>1,605.02</b>
<b>B)</b>	<b>ASSETS</b>		
<b>1.</b>	<b>Non Current Assets</b>		
(a)	Property, Plant and Equipment and Intangible Assets		
i)	Property, plant and equipment	4,146.75	3.86
ii)	Intangible assets	-	15.32
iii)	Capital work-in-progress	0.76	-
		<b>4,147.51</b>	<b>19.18</b>
(b)	Long Term Loans and Advances	8.79	1,507.46
(c)	Deferred Tax Asset (Net)	-	3.97
	<b>Total (A)</b>	<b>4,156.31</b>	<b>1,530.61</b>
<b>2.</b>	<b>Current Assets</b>		
(a)	Inventories	1,952.27	-
(b)	Trade Receivables	583.38	-
(c)	Cash and Bank Balances	30.08	45.26
(d)	Other Current Assets	153.21	29.15
	<b>Total (B)</b>	<b>2,718.94</b>	<b>74.41</b>
	<b>Total Assets (A+B)</b>	<b>6,875.24</b>	<b>1,605.02</b>

**RESTATED STATEMENT OF PROFIT & LOSS**

*(Amount in Rs. Lakhs, unless mentioned otherwise)*

PARTICULARS		FOR THE YEAR ENDED	
		31-Mar-23	31-Mar-22
<b>1</b>	<b>Income</b>		
(a)	Revenue From Operations	12,148.90	-
(b)	Other Income	0.41	-
<b>2</b>	<b>Total Income (1a+1b)</b>	<b>12,149.31</b>	<b>-</b>
<b>3</b>	<b>Expenditure</b>		
(a)	Cost of raw material consumed	10,813.10	-
(b)	Changes In Inventories Of Finished Goods, and Stock-In-Trade	(470.79)	-
(c)	Employee Benefit Expenses	252.82	2.93
(d)	Manufacturing Expenses	157.09	-
(e)	Finance Cost	259.76	-
(f)	Depreciation & Amortization	86.33	0.01
(g)	Other Expenses	183.02	12.83
<b>4</b>	<b>Total Expenditure 3(a) to 3(g)</b>	<b>11,281.33</b>	<b>15.77</b>
	<b>Profit/(Loss) Before Exceptional and Extra-Ordinary Item</b>	<b>867.98</b>	<b>(15.77)</b>
	Exceptional Items	-	-
<b>5</b>	<b>Profit/(Loss) Before Tax (2-4)</b>	<b>867.98</b>	<b>(15.77)</b>
<b>6</b>	<b>Tax Expense:</b>		
(a)	Tax Expense For Current Year	195.00	-
(b)	Short/(Excess) Provision of Earlier Year	-	-
(c)	Deferred Tax	31.78	(3.97)
	<b>Net Current Tax Expenses</b>	<b>226.78</b>	<b>(3.97)</b>
<b>7</b>	<b>Profit/(Loss) for the period from continuing operations (5-6)</b>	<b>641.20</b>	<b>(11.80)</b>
<b>8.1</b>	<b>Restated Earning Per Share</b>		
	Basic	13.50	(2.52)
	Diluted	13.50	(2.52)

**RESTATED STATEMENT OF CASH FLOWS**

*(Amount in Rs. Lakhs, unless mentioned otherwise)*

PARTICULARS	FOR THE YEAR ENDED	
	31-Mar-23	31-Mar-22
<b>A) Cash Flow From Operating Activities :</b>		
Net Profit before tax	867.98	(15.77)
Adjustment for :		
Depreciation	86.33	0.01
Interest Paid	259.76	-
Operating profit before working capital changes	1,214.07	(15.76)
<b>Changes in Working Capital</b>		
(Increase)/Decrease in Inventories	(1,952.27)	-
(Increase)/Decrease in Trade Receivables	(583.38)	-
(Increase)/Decrease in Long Term Loans & Advances	(1.33)	(7.46)
(Increase)/Decrease in Other Current Assets	(124.06)	(29.15)
Increase/(Decrease) in Trade Payables	1,888.01	6.17
Increase/(Decrease) in Other Current Liabilities	57.23	53.23
Increase/(Decrease) in Short Term Provisions	62.06	-
<b>Cash generated from operations</b>	560.34	7.03
Direct Tax Paid / (Refund) [Net]	195.00	-
<b>Cash Flow Before Extraordinary Item</b>	365.34	7.03
Extraordinary Items	-	-
<b>Net cash flow from operating activities</b>	365.34	7.03
<b>B) Cash Flow From Investing Activities :</b>		
Purchase/Sale of Property, Plant and Equipment	(4,229.20)	(3.87)
Purchase of Intangible Assets	(0.79)	-
Capital Work in Progress	15.32	(15.32)
Capital Advance	1,500.00	(1,500.00)
<b>Net cash flow from investing activities</b>	(2,714.67)	(1,519.19)
<b>C) Cash Flow From Financing Activities :</b>		
Issue of Shares	114.30	885.70
Increase/(Decrease) in Short Term Borrowings	485.66	
Increase/(Decrease) in Long Term Borrowings	1,993.95	671.72
Interest Paid	(259.76)	-
<b>Net cash flow from financing activities</b>	2,334.15	1,557.42
<b>Net Increase/(Decrease) In Cash &amp; Cash Equivalents</b>	<b>(15.18)</b>	<b>45.26</b>
<b>Cash equivalents at the beginning of the year</b>	<b>45.26</b>	<b>-</b>
<b>Cash equivalents at the end of the year</b>	<b>30.08</b>	<b>45.26</b>

## **GENERAL INFORMATION**

Our Company was incorporated on December 21, 2021 as ‘Cosmic CRF Limited’, a public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the Deputy Registrar of Companies, Central Registration Centre. The corporate identification number of our Company is U27100WB2021PLC250447. Subsequently, our Company executed a business transfer agreement with Cosmic Ferro Alloys Limited on January 19, 2022, with a closing date of March 31, 2022, which was extended *vide* an Addendum to the Business Transfer Agreement dated August 26, 2022 with a closing date of September 15, 2022 in order to purchase the CRF unit located at Ajabnagar, Molla Simla, Singur, - 712 223, West Bengal, India including all its assets, employees, liens and liabilities, on a going concern basis. For further details, please see – “History and Certain Corporate Matters - Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation” on page 125.

### **Registered Office of our Company**

#### **Cosmic CRF Limited**

19, Monohar Pukur Road,  
Kolkata – 700 029,  
West Bengal, India.

**Telephone:** +91 810 086 2182

**E-mail:** cs@cosmiccrf.com

**Facsimile:** 033 79647499

**Investor grievance id:** [investors@cosmiccrf.com](mailto:investors@cosmiccrf.com)

**Website:** www.cosmiccrf.com

**CIN:** U27100WB2021PLC250447

### **Corporate Office of our Company**

As on date of this Red Herring Prospectus, our Company does not have a corporate office.

### **Registrar of Companies**

Our Company is registered with the Registrar of Companies, West Bengal at Kolkata situated at the following address:

#### **Registrar of Companies, West Bengal at Kolkata**

Nizam Palace, 2nd MSO Building,  
2<sup>nd</sup> floor, 234/4 A.J.C. Bose Road  
Kolkata - 700 020  
West Bengal, India

### **Board of Directors of our Company**

Set forth below are the details of our Board of Directors as on the date of this Red Herring Prospectus:

<b>S. No.</b>	<b>Name</b>	<b>Designation</b>	<b>DIN</b>	<b>Address</b>
1.	Aditya Vikram Birla	Managing Director	06613927	11A, Dover Lane, Sarat Bose Road, Kolkata – 700 029, West Bengal, India..
2.	Purvi Birla	Whole-time Director	02488423	11A, Dover Lane, Sarat Bose Road, Kolkata – 700 029, West Bengal, India.
3.	Pawan Kumar Tibrewalla	Non-Executive Director	01056704	8/10 Alipore Park Road, Alipore – 700 027, Kolkata, West Bengal, India.
4.	Binod Kumar Khaitan	Independent Director	01713323	Vivek Vihar, 493/C/A, G T Road, South, PH-5, BL-18, Flat 2A, Hora Corporation, Sibpur – 711 102, Howrah, West Bengal, India.
5.	Ashok Barnwal	Independent Director	01580287	264 N.S.C Bose Road, Ashoka Height, Block A – 700 047, Kolkata, West Bengal, India.

For detailed profile of our Directors, please refer to the chapter titled “Our Management” on page 127 of the Red Herring Prospectus.

### **Chief Financial Officer**

**Ram Pada Mandal** is the Chief Financial Officer of our Company. His contact details are set forth hereunder.

19, Monohar Pukur Road,  
2<sup>nd</sup> Floor, Kolkata – 700 029  
West Bengal, India.  
**Telephone:** +91 810 086 2182  
**E-mail:** cfo@cosmiccrf.com

### **Company Secretary and Compliance Officer**

**Anita Kumari Gupta**, is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder.

19, Monohar Pukur Road,  
2<sup>nd</sup> Floor, Kolkata – 700 029  
West Bengal, India.  
**Telephone:** +91 810 086 2182  
**E-mail:** cs@cosmiccrf.com

### **Investor grievances**

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

All grievances relating to the issue 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 Bidders should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, details of UPI IDs (if applicable), address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder.

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

For all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

### **Details of Key Intermediaries pertaining to this Issue of our Company:**

#### **Book Running Lead Manager**

#### **Horizon Management Private Limited**

19 R N Mukherjee Road,  
Main Building, 2<sup>nd</sup> Floor  
Kolkata- 700 001,  
West Bengal, India.  
**Telephone:** +91 33 4600 0607  
**Facsimile:** +91 33 4600 0607  
**Email ID:** smeipo@horizon.net.co  
**Website:** www.horizonmanagement.in  
**Investor Grievance ID:** investor.relations@horizon.net.co  
**Contact Person:** Manav Goenka  
**SEBI Registration Number:** INM000012926  
**Validity:** Permanent

#### **Registrar to the Issue**

#### **MAS Services Limited**

T-34, 2<sup>nd</sup> Floor, Okhla Industrial Area,  
Phase-II New Delhi-110020  
**Telephone:** +91 112 638 7281/82/83

**Facsimile:** +91 112 638 7384  
**E-mail:** info@masserv.com  
**Website:** www.masserv.com  
**Investor grievance:** inverstor@masserv.com  
**SEBI Registration No:** INR000000049  
**Contact person:** Sharwan Mangla

### **Legal Advisor to the Issue**

#### **T&S Law**

Near VVIP Mall, Raj Nagar Extension,  
Ghaziabad – 201 017,  
Uttar Pradesh, India

**Telephone:** +91 931 022 0585  
**Contact Person:** Sagarika Kapoor  
**Email:** [info@tandslaw.in](mailto:info@tandslaw.in)

### **Statutory and Peer Review Auditor of our Company**

#### **GARV & Associates,**

Chartered Accountants  
27A, Hazra Road  
Kolkata – 700 029  
West Bengal, India.

**Telephone:** + 91 334 040 4743/44  
**Email:** info@garvca.com  
**Contact Person:** Ashish Rustagi  
**Membership No.:** 062982  
**Firm Registration No.:** 301094E  
**Peer Review Certificate No.:** 013427

### **Advisor to the Company**

#### **M/s. Ridhvi Corporate Solutions**

B 403, Kemp Plaza, Mind Space,  
Malad (W), Mumbai – 400 064,  
Maharashtra, India.

**Telephone:** +91 773 813 3775  
**Email:** [info@ridhvigroup.com](mailto:info@ridhvigroup.com)  
**Website:** [www.ridhvigroup.com](http://www.ridhvigroup.com)  
**Contact Person:** Rohit Dalmia

### **Bankers to our Company**

#### **Kotak Mahindra Bank Limited**

6th Floor, C – 12, G Block,  
Bandra Kurla Complex,  
Bandra East, Mumbai – 400 051,  
Maharashtra, India.

**Email:** Shaashi.Krisshnan@kotak.com  
**Website:** www.kotak.com  
**Contact Person:** Shaashi Krisshnan

### **Banker to the Issue/ Refund Bank/ Sponsor Bank/ Public Issue Bank**

#### **Kotak Mahindra Bank Limited**

Kotak Infiniti, 6<sup>th</sup> Floor, Building No. 21,  
Infinity Park, Off Western Express Highway,  
General AK Vaidya Marg, Malad (East)  
Mumbai 400 097, Maharashtra, India

**Telephone:** +91 22 6605 6588  
**Website:** [www.kotak.com](http://www.kotak.com)  
**Contact Person:** Siddhesh Shirodkar  
**Email:** [cmsipo@kotak.com](mailto:cmsipo@kotak.com)

### **Syndicate Member**

The Book Running Lead Manager is the syndicate member in the Issue.

### **Designated Intermediaries**

#### ***Self-Certified Syndicate Banks***

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time.

#### ***SCSBs enabled for UPI Mechanism***

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

#### ***Registered Brokers***

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange, at BSE Limited at [www.bseindia.com](http://www.bseindia.com) as updated from time to time.

#### ***Registrar and Share Transfer Agent***

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of BSE Limited at <https://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx>? as updated from time to time.

#### ***Collecting Depository Participants***

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

### **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.

### **Credit Rating**

As this is an Issue of Equity Shares, credit rating is not required.

### **Green Shoe Option**

No Green Shoe Option is applicable for this Issue.

### **Brokers to the Issue**

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

### **Debenture Trustees**

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

### **Monitoring Agency**

As the Net Proceeds of the Issue will be less than ₹10,000 lacs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

### **Appraising Entity**

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

### **Expert Opinion**

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

Our Company has received written consent dated April 21, 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 Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated April 20, 2023 on our Restated Financial Information; and (ii) its report dated April 21, 2023 on the statement of special tax benefits in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

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

Horizon Management Private Limited, being the sole Book Running Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue. Hence, a statement of inter se allocation of responsibilities is not required.

### **Filing**

The Draft Red Herring Prospectus was not required to be filed with SEBI, accordingly SEBI did not issue any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 and pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations, a copy of this Red Herring Prospectus/Prospectus is being furnished to the Board and has been filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of this Red Herring Prospectus/Prospectus, has been filed with the SME Platform of BSE Limited, where the Equity Shares are proposed to be listed.

A copy of this Red Herring Prospectus, along with the material contracts and documents has also be filed with the RoC under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

### **Changes in Auditors during the last three years**

There has been no change in the Auditors of our Company during the last three years.

### **BOOK BUILDING PROCESS**

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

Principal parties involved in the Book Building Process are-

- Our Company;
- The Book Running Lead Manager, in this case being Horizon Management Private Limited;

- The Syndicate Member, in this case being the Book Running Lead Manager, who is an intermediary registered with SEBI, who along with the Market Maker is eligible to act as Underwriters;
- The Registrar to the Issue, in this case being MAS Services Limited
- The Escrow Collection Bank/ Banker to the Issue and
- The Designated Intermediaries and Sponsor bank

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

The Issue is being made through the Book Building Process wherein 1.99% of the Net Issue shall be available for allocation on a proportionate basis to QIBs. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price.

Further, not less than 23.02% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 74.99% of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

All Bidders are mandatorily required to use the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, in the case of UPI Bidders, by using the UPI Mechanism.

In accordance with the SEBI ICDR Regulations, QIB and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date.

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “*Issue Procedure*” beginning on page 216 of the Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 216 of this Red Herring Prospectus.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%

1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Company in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

**Steps to be taken by the Bidders for Bidding:**

- Check eligibility for making a Bid (see section titled “*Issue Procedure*” on page 216 of this Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form;

**Bid/Issue Program:**

<b>Event</b>	<b>Indicative Dates</b>
Bid/Issue Opening Date	Wednesday, June 14, 2023
Bid/Issue Closing Date	Friday, June 16, 2023
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Thursday, June 22, 2023
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before Friday, June 23, 2023
Credit of Equity Shares to Demat accounts of Allottees	On or before Friday, June 23, 2023
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Monday, June 26, 2023

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Bid/Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Applicant on Bid/ Issue Closing Date maybe extended in consultation with the BRLM, RTA and BSE SME taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither

our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

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

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

### **WITHDRAWAL OF THE ISSUE**

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

If our Company withdraws the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company withdraws the Issue after the Bid/Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approval of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment;

### **UNDERWRITING AGREEMENT**

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the Underwriters, the Book Running Lead Manager and the Market Maker.

Pursuant to the terms of the Underwriting Agreement dated May 11, 2023 entered into by Company, Underwriters, the obligations of the Underwriters are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

<b>Details of the Underwriters</b>	<b>No. of shares underwritten*</b>	<b>Amount Underwritten (₹ in Lakh)</b>	<b>% of the total Issue Size Underwritten</b>
<b>Horizon Management Private Limited</b> 19 R N Mukherjee Road, Main Building, 2 <sup>nd</sup> Floor Kolkata- 700 001, West Bengal, India. <b>Telephone:</b> +91 33 4600 0607 <b>Facsimile:</b> +91 33 4600 0607	15,48,800	[●]	85.01
<b>Giriraj Stock Broking Private Limited</b> HMP House, 4 <sup>th</sup> Floor, Suite No 421A, 4, Fairlie Place, Kolkata – 700 001, West Bengal, India. <b>Telephone:</b> +91 (033) 4005 4519 <b>Facsimile:</b> N.A.	2,73,200	[●]	14.99

*\*Includes 91,200 Equity shares of ₹10.00 each for cash of ₹ [●]/- the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.*

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above-mentioned Underwriter is sufficient to enable it to discharge its underwriting obligation in full. The above mentioned

Underwriter is registered with SEBI under Section 12(1) of the SEBI Act and registered as brokers with the Stock Exchange.

**DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE**

Our Company has entered into a Market Making Agreement dated May 11, 2023 with the following Market Maker for fulfilling the Market Making obligations under this Issue:

<b>Name</b>	Giriraj Stock Broking Private Limited
<b>Address</b>	HMP House, 4 <sup>th</sup> Floor, Suite No 421A, 4, Fairlie Place, Kolkata – 700 001, West Bengal, India.
<b>Tel. No.</b>	+91 (033) 4005 4519
<b>Email</b>	girirajstock@yahoo.com
<b>Contact Person</b>	Kuntal Laha
<b>CIN</b>	U65100WB2005PTC101507
<b>SEBI Registration Number</b>	INZ000212638
<b>Market Maker Registration No. (SME Segment of BSE)</b>	SMEMM0655127012022

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with BSE to fulfil the obligations of Market Making) dated May 11, 2023 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issuer.

Giriraj Stock Broking Private Limited, registered with SME Platform of BSE Limited will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by BSE Limited and SEBI in 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 the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the Investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
4. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% of Issue Size (Including the 91,200 Equity Shares sought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 91,200 Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.
5. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE Limited may intimate the same to SEBI after due verification.
6. There would not be more than five Market Maker for the Company’s Equity Shares at any point of time and the Market Maker may compete with other Market Maker for better quotes to the investors.
7. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. In case equilibrium price is not discovered the price band in the normal trading session shall be based on Issue price.
8. The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.
9. 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.

10. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the BRLM, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker 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.

11. **Risk containment measures and monitoring for Market Maker:** SME Platform of BSE Limited will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
12. **Punitive Action in case of default by Market Maker:** SME Platform of BSE Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
13. 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.
14. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:
- 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.
15. Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

S. No.	Market Price Slab (in 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

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

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

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

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

## CAPITAL STRUCTURE

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

(in ₹, except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
<b>A</b>	<b>Authorized Share Capital</b>	15,00,00,000	-
	1,50,00,000 Equity Shares having Face Value of ₹ 10/- each		
	50,00,000 Redeemable Non-Cumulative Non- Convertible Preference Shares having Face Value of ₹ 10/- each	5,00,00,000	
	<b>Total Authorized Share Capital</b>	<b>20,00,00,000</b>	
<b>B</b>	<b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Issue</b>	5,10,00,000	-
	51,00,000 Equity Shares having Face Value of ₹10/- each		
	49,00,000 Redeemable Non-Cumulative Non- Convertible Preference Shares having Face Value of ₹10/- each <sup>^</sup>	4,90,00,000	
	<b>Total Issued, Subscribed &amp; Paid-up Share Capital prior to the Issue</b>	10,00,00,000	
<b>C</b>	<b>Present Issue in terms of this Red Herring Prospectus*</b>		
	18,22,000 Equity Shares having Face Value of ₹ 10/-each at a Premium of ₹ [●] per share	1,82,20,000	[●]
	<i>Which comprises of:</i>		
<b>D</b>	<b>Reservation for Market Maker Portion</b>	9,12,000	[●]
	91,200 Equity Shares of ₹10/- each at a price of ₹[●] per Equity Share reserved as Market Maker Portion		
<b>E</b>	<b>Net Issue to Public</b>		
	Net Issue to Public of 17,30,800 Equity Shares of ₹10/- each at a price of ₹[●] per Equity Share to the Public	1,73,08,000	[●]
	<i>Of which:</i>		
	i. Not less than 12,98,000 Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Retail Individual Investors	1,29,80,000	[●]
	ii. Not less than 3,98,400 Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Non-Institutional Investors	39,84,000	[●]
	iii. Not more than 34,400 Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Qualified Institutional Buyers	3,44,000	[●]
<b>F</b>	<b>Issued, Subscribed and Paid up Equity Share Capital after the Issue**</b>		
	69,22,000 Equity Shares of face value of ₹10/- each	6,92,20,000	
<b>G</b>	<b>Securities Premium Account</b>		
	Before the Issue (as on date of this Red Herring Prospectus)		NIL
	After the Issue		[●]

\*The present Issue has been authorized pursuant to a resolution of our Board dated February 25, 2023, read with the resolution passed by the Board of Directors in their meeting held on June 5, 2023, and a special resolution of our Shareholders at an Extra-Ordinary General Meeting dated March 20, 2023 under Section 62(1)(c) of the Companies Act, 2013.

\*\*Subject to finalization of Basis of Allotment.

<sup>^</sup>Terms of issue of the 0.01 % Redeemable Non-Cumulative Preference Shares (“Preference Shares”):

**Rate of Dividend:** Dividend rate will be 0.01% p.a., if declared.

**Cumulative:** The Preference Shares will carry a Non-cumulative dividend right.

**Tenure & Conversion / Redemption Terms:** The subscribed/paid up on each Preference Shares shall be redeemed at any time at the option of the Company but on and after 10 years from the date of allotment of such Preference Shares.

**Priority with respect to payment of dividend or repayment of Capital:** The Preference Shares will carry a preferential right vis-a-vis Equity Shares of our Company with respect to payment of dividend and repayment of capital during winding up.

**Participation in Surplus funds:** The Preference Shares shall be Non- Participating in surplus funds and profits, on winding up which may remain after the entire capital has been repaid.

**Redemption premium:** The Preference Shares shall be redeemed at a premium not exceeding ₹ 10/- per Preference Share.

**Voting Rights:** The holders of Preference Shares shall be not be entitled to voting rights. Further such Shareholders shall have the powers to exercise their vote only in respect of matters that directly affects the rights of such preference shareholders.

### Classes of Shares

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

## NOTES TO THE CAPITAL STRUCTURE

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

The authorised share capital of our Company, at the time of incorporation was ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10/- each. Further, the changes in authorised share capital of our Company are provided in the manner set forth below:

Date of Shareholder's Meeting	Particulars of Change		AGM/EGM
	From	To	
December 31, 2021	₹ 5,00,00,000 consisting of 50,00,000 Equity Shares of ₹ 10 each	₹ 10,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10 each and 50,00,000 Redeemable Non-Cumulative Preference Shares of ₹ 10 each.	EGM
July 22, 2022	₹ 10,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10 each and 50,00,000 Redeemable Non-Cumulative Preference Shares of ₹ 10 each.	₹ 20,00,00,000 divided into 51,00,000 Equity Shares of ₹ 10 each and 1,49,00,000 Redeemable Non-Cumulative Preference Shares of ₹ 10 each	EGM
March 20, 2023	₹ 20,00,00,000 divided into 51,00,000 Equity Shares of ₹ 10 each and 1,49,00,000 Redeemable Non-Cumulative Preference Shares of ₹ 10 each	₹20,00,00,000 divided into 1,50,00,000 Equity Shares of ₹ 10 each and 50,00,000 Preference Shares of ₹ 10 each^	EGM

<sup>^</sup>Pursuant to the resolution passed by the Shareholders in the EGM held on March 20, 2023, the Authorised Share Capital of our Company was reclassified and the Board of Directors was granted the authority to decide the terms, conditions and rights of the Preference Shares while issuing the same.

### 2) History of Paid up Equity Share Capital our Company:

The following table sets forth details of the history of paid-up Equity Share capital of our Company:

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid - up Capital (₹)
On Incorporation <sup>(1)</sup>	7,000	10	10	Cash	Subscription to Memorandum of Association <sup>(1)</sup>	7,000	70,000
January 19, 2022	10,00,000	10	10	Cash	Right Issue <sup>(2)</sup>	10,07,000	1,00,70,000
February 16, 2022	15,00,000	10	10	Cash	Right Issue <sup>(3)</sup>	25,07,000	2,50,70,000
February 23, 2022	8,50,000	10	10	Cash	Right Issue <sup>(4)</sup>	33,57,000	3,35,70,000
March 31, 2022	6,00,000	10	10	Cash	Right Issue <sup>(5)</sup>	39,57,000	3,95,70,000
April 2, 2022	50,000	10	10	Cash	Right Issue <sup>(6)</sup>	40,07,000	4,00,70,000
July 27, 2022	10,93,000	10	10	Cash	Right Issue <sup>(7)</sup>	51,00,000	5,10,00,000

<sup>(1)</sup> Subscription of to the MOA for the total of 7,000 Equity Shares by Pawan Kumar Tibrewalla (1,000 Equity Shares), Seema Tibrewalla (1,000 Equity Shares), Disha Tibrewalla (1,000 Equity Shares), Raunak Agarwal (1,000 Equity Shares), Rajlakshmi Mohta (1,000 Equity Shares), Milan Ghosh (1,000 Equity Shares) and Priya Mohta (1,000 Equity Shares).

<sup>(2)</sup> Right Issue of a total of 10,00,000 Equity Shares to Pawan Kumar Tibrewalla HUF (2,50,000 Equity Shares), Pawan Kumar Tibrewalla (2,50,000 Equity Shares), Seema Tibrewalla (2,50,000 Equity Shares) and Disha Tibrewalla (2,50,000 Equity Shares).

<sup>(3)</sup> Right Issue of a total of 15,00,000 Equity Shares to Pawan Kumar Tibrewalla HUF (2,50,000 Equity Shares), Pawan Kumar Tibrewalla (2,50,000 Equity Shares), PK Tibrewalla & Co. (1,00,000 Equity Shares), Disha Tibrewalla (2,50,000 Equity Shares), Seema Tibrewalla (2,50,000 Equity Shares and Sreerampur Ispat Private Limited (4,00,000 Equity Shares).

<sup>(4)</sup> Right Issue of a total of 8,50,000 Equity Shares to Disha Tibrewalla (2,50,000 Equity Shares), Seema Tibrewalla (1,50,000 Equity Shares and Sreerampur Ispat Private Limited (4,50,000 Equity Shares).

<sup>(5)</sup> Right Issue of a total of 6,00,000 Equity Shares to Pawan Kumar Tibrewalla HUF (2,00,000 Equity Shares), Pawan Kumar Tibrewalla (2,50,000 Equity Shares), Seema Tibrewalla (1,00,000 Equity Shares), and Sreerampur Ispat Private Limited (50,000 Equity Shares).

<sup>(6)</sup> Right Issue of a total of 50,000 Equity Shares to Pawan Kumar Tibrewalla HUF (50,000 Equity Shares).

<sup>(7)</sup> Right Issue of a total of 10,93,000 Equity Shares to Aditya Kumar Vikram Birla (10,93,000 Equity Shares).

### 3) Preference Share capital history of our Company

The following table sets forth details of the history of paid-up Preference Share capital of our Company:

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid-up Capital (₹)
January 19, 2022	40,00,000	10	10	Cash	Rights Issue <sup>(1)</sup>	40,00,000	4,00,00,000
January 31, 2022	6,50,000	10	10	Cash	Right Issue <sup>(2)</sup>	46,50,000	4,65,00,000
February 16, 2022	2,50,000	10	10	Cash	Right Issue <sup>(3)</sup>	49,00,000	4,90,00,000

<sup>(1)</sup> Rights Issue of 40,00,00 0.01% Redeemable Non-Cumulative Preference Shares to AV Real Estate Private Limited (5,00,000 Equity Shares) and Anadraj Developments Private Limited (35,00,000 Equity Shares).

<sup>(2)</sup> Right Issue of 6,50,000 0.01% Redeemable Non-Cumulative Preference Shares to Anadraj Developments Private Limited (6,50,000 Equity Shares).

<sup>(3)</sup> Right Issue of 2,50,000 0.01% Redeemable Non-Cumulative Preference Shares to Anadraj Developments Private Limited (2,50,000 Equity Shares).

### 4) Issue of equity shares for consideration other than cash or out of revaluation reserves and through Bonus Issue:

- We have not issued Equity Shares for consideration other than cash.
  - As of date of this Red Herring Prospectus, our Company has not undertaken a bonus issue by capitalizing its revaluation reserves.
- 5) As of date of this Red Herring Prospectus, our Company has not allotted Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 and/or sections 230-232 of the Companies Act, 2013.
- 6) Our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.
- 7) Except as stated under “-History of Paid-up Equity Share Capital our Company” and “-Preference Share capital history of our Company”, our Company has not issued any Equity Shares at a price lower than the Issue Price during a period of the one year preceding the date of this Red Herring Prospectus.

### 8) Shareholding Pattern of our Company

The table below represents the shareholding pattern of our Company as on the date of this Red Herring Prospectus:

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying depository receipts (VI)	Total No. of shares held (VII) = (IV)+(V) + ( ++VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares underlying outstanding convertible securities (including warrants)	Shareholding as a % assuming full conversion of convertible securities No. (a)	No. of locked-in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								Class (Equity)	Total	Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoter and Promoter Group	6	50,19,600	-	-	50,19,600	98.42	50,19,600	50,19,600	98.42	-	98.42	-	-	-	-	50,19,600
(B)	Public	37	80,400	-	-	80,400	1.58	80,400	80,400	1.58	-	1.58	-	-	-	-	79,500
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>43</b>	<b>51,00,000</b>	<b>-</b>	<b>-</b>	<b>51,00,000</b>	<b>100.00</b>	<b>51,00,000</b>	<b>51,00,000</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,99,100</b>

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one (1) day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the website of Stock Exchange before commencement of trading of such Equity Shares. The Equity Shares held by our Promoter and members of our Promoter Group are in dematerialized form.

9) **Other details of shareholding of our Company:**

- a) Particulars of the shareholders holding 1% or more of the paid-up share capital of our Company and the number of shares held by them as on the date of filing of this Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Aditya Vikram Birla	32,63,600	63.99
2.	Prilika Enterprises Private Limited	9,00,000	17.65
3.	Purvi Birla	7,50,000	14.71
4.	AVB Entech Private Limited	1,00,000	1.96
5.	Baba Bhoothnath Trade & Commerce Limited	51,000	1.00
<b>Total</b>		<b>50,64,600</b>	<b>99.31</b>

- b) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them ten (10) days prior to the date of filing of this Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Aditya Vikram Birla	32,63,600	63.99
2.	Prilika Enterprises Private Limited	9,00,000	17.65
3.	Purvi Birla	7,50,000	14.71
4.	AVB Entech Private Limited	1,00,000	1.96
5.	Baba Bhoothnath Trade & Commerce Limited	51,000	1.00
<b>Total</b>		<b>50,64,600</b>	<b>99.31</b>

- c) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them one (01) year from the date of filing of this Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Paid-up Equity Share Capital
1.	Aditya Vikram Birla	22,50,000	56.15
2.	Sreerampur Ispat Pvt Ltd	9,00,000	22.46
3.	Pawan Kumar Tibrewalla HUF	7,50,000	18.72
4.	P.K. Tibrewalla & Co.	1,00,000	2.50
<b>Total</b>		<b>40,00,000</b>	<b>99.83</b>

- d) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them two (02) years prior to filing of this Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Paid-up Equity Share Capital
1.	Not Applicable*	-	-
<b>Total</b>		<b>-</b>	<b>-</b>

\* The Company was incorporated on December 21, 2021, therefore the above disclosure is not applicable to us.

- e) None of the shareholders of our Company holding 1% or more of the paid-up capital of the Company as on the date of the filing of the Red Herring Prospectus are entitled to any Equity Shares upon exercise of warrant, option or right to convert a debenture, loan or other instrument.
- f) Our Company has not made any initial public offer of its Equity Shares or any convertible securities during the preceding 02 (two) years from the date of this Red Herring Prospectus.
- 10) Our Company does not have any intention or proposal to alter its capital structure within a period of six (06) months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares whether preferential or bonus, rights or further public issue basis. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

11) **Shareholding of our Promoter**

Set forth below are the details of the build-up of shareholding of our Promoter:

Date of Allotment and made fully paid up/ Transfer	Nature of Transaction	Consideration	No. of Equity Shares	F.V (in Rs.)	Issue / Transfer Price (in Rs.)	Cumulative no. of Equity Shares	% of Pre-Issue Equity Paid Up Capital	% of Post-Issue Equity Paid Up Capital	No. of Shares Pledged	% of shares pledged
<b>Aditya Vikram Birla</b>										
April 1, 2022	Transfer from Pawan Kumar Tibrewalla	Cash	7,50,000	10	10	7,50,000	14.71	10.84	-	-
	Transfer from Seema Tibrewalla	Cash	7,50,000	10	10	15,00,000	29.41	21.67	-	-
	Transfer from Disha Tibrewalla	Cash	7,50,000	10	10	22,50,000	44.12	32.51	-	-
July 27, 2022	Rights Issue	Cash	10,93,000	10	10	33,43,000	65.55	48.30	-	-
September 1, 2022	Transfer to Baba Bhootnath Trade & Commerce Limited	Cash	(51,000)	10	10	32,92,000	64.55	47.56	-	-
	Transfer to Rinku Kochar	Cash	(25,000)	10	10	32,67,000	64.06	47.20	-	-
	Transfer to Ram Pada Mandal	Cash	(100)	10	10	32,66,900	64.06	47.20	-	-
	Transfer to Biswajit Sau	Cash	(100)	10	10	32,66,800	64.05	47.19	-	-
	Transfer to Anirban Das	Cash	(100)	10	10	32,66,700	64.05	47.19	-	-
	Transfer to Anil Kumar Singh	Cash	(100)	10	10	32,66,600	64.05	47.19	-	-
	Transfer to Tapan Mukherjee	Cash	(100)	10	10	32,66,500	64.05	47.19	-	-
	Transfer to Barun Bhattacharjee	Cash	(100)	10	10	32,66,400	64.05	47.19	-	-
	Transfer to Sisir Kumar Ray	Cash	(100)	10	10	32,66,300	64.05	47.19	-	-
	Transfer to Anita Kumari Gupta	Cash	(100)	10	10	32,66,200	64.04	47.19	-	-
	Transfer to Kripa Sankar Bhardwaj	Cash	(100)	10	10	32,66,100	64.04	47.18	-	-
	Transfer to Saugata Saha	Cash	(100)	10	10	32,66,000	64.04	47.18	-	-
	Transfer to Dipak Lakhota	Cash	(100)	10	10	32,65,900	64.04	47.18	-	-
	Transfer to Sudip Kumar Bera	Cash	(100)	10	10	32,65,800	64.04	47.18	-	-
	Transfer to Prakash Nandy	Cash	(100)	10	10	32,65,700	64.03	47.18	-	-
Transfer to Sheo Shankar Kewat	Cash	(100)	10	10	32,65,600	64.03	47.18	-	-	
Transfer to Sarad Yadav	Cash	(100)	10	10	32,65,500	64.03	47.18	-	-	

Date of Allotment and made fully paid up/ Transfer	Nature of Transaction	Consideration	No. of Equity Shares	F.V (in Rs.)	Issue / Transfer Price (in Rs.)	Cumulative no. of Equity Shares	% of Pre-Issue Equity Paid Up Capital	% of Post-Issue Equity Paid Up Capital	No. of Shares Pledged	% of shares pledged
	Transfer to Dilu Ray	Cash	(100)	10	10	32,65,400	64.03	47.17	-	-
	Transfer to Pradip Roy	Cash	(100)	10	10	32,65,300	64.03	47.17	-	-
	Transfer to Soumya Jyoti Sarkar	Cash	(100)	10	10	32,65,200	64.02	47.17	-	-
	Transfer to Suprasanna Biswas	Cash	(100)	10	10	32,65,100	64.02	47.17	-	-
	Transfer to Buddhadev Mani	Cash	(100)	10	10	32,65,000	64.02	47.17	-	-
	Transfer to Tanmoy Banerjee	Cash	(100)	10	10	32,64,900	64.02	47.17	-	-
	Transfer to Indrajit Seal	Cash	(100)	10	10	32,64,800	64.02	47.17	-	-
	Transfer to Swapn Patra	Cash	(100)	10	10	32,64,700	64.01	47.16	-	-
	Transfer to Lekh Narayan Paswan	Cash	(100)	10	10	32,64,600	64.01	47.16	-	-
	Transfer to Shubhashish Ghosal	Cash	(100)	10	10	32,64,500	64.01	47.16	-	-
	Transfer to Lal Mohan Karmakar	Cash	(100)	10	10	32,64,400	64.01	47.16	-	-
	Transfer to Chiranjit Mukherjee	Cash	(100)	10	10	32,64,300	64.01	47.16	-	-
	Transfer to Joydev Bhakta	Cash	(100)	10	10	32,64,200	64.00	47.16	-	-
	Transfer to Jitendra Singh	Cash	(100)	10	10	32,64,100	64.00	47.16	-	-
	Transfer to Soumen Barik	Cash	(100)	10	10	32,64,000	64.00	47.15	-	-
	Transfer to Jayanta Karmakar	Cash	(100)	10	10	32,63,900	64.00	47.15	-	-
	Transfer to Ranganath Ghosh	Cash	(100)	10	10	32,63,800	64.00	47.15	-	-
	Transfer to Jayanta Das	Cash	(100)	10	10	32,63,700	63.99	47.15	-	-
	Transfer to Himansu Majumder	Cash	(100)	10	10	32,63,600	63.99	47.15	-	-
	<b>Total</b>		<b>32,63,600</b>			<b>32,63,600</b>	<b>63.99</b>	<b>47.15</b>		

12) As on the date of the Red Herring Prospectus, the Company has 43 (Forty-Three) shareholders.

13) The details of the Shareholding of the members of the Promoter Group as on the date of this Red Herring Prospectus are set forth in the table below:

S. No.	Particulars	No. of Equity Shares	As a % of Pre-Issue Capital	No. of Equity Shares	As a % of Post Issue Capital
1.	Aditya Vikram Birla	32,63,600	63.99	32,63,600	47.15
2.	Prilika Enterprises Private Limited	9,00,000	17.65	9,00,000	13.00
3.	Purvi Birla	7,50,000	14.71	7,50,000	10.84
4.	AVB Entech Private Limited	1,00,000	1.96	1,00,000	1.44
5.	Aditya Vikrma Birla HUF	5,000	0.10	5,000	0.07
6.	Gayatri Birla	1,000	0.02	1,000	0.01
<b>Total – A</b>		<b>50,19,600</b>	<b>98.42</b>	<b>50,19,600</b>	<b>72.52</b>

- 14) There were no shares purchased/sold by the Promoter and Promoter Group, directors of our Company and their relatives during last six months.
- 15) There are no financing arrangements wherein the Promoter, Promoter Group, the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six (06) months immediately preceding the date of filing of the Red Herring Prospectus.
- 16) **Promoter’s Contribution and other Lock-In details:**

Pursuant to Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20.00% of the fully diluted post-Issue capital of our Company held by the Promoter shall be locked in for a period of three years from the date of Allotment (“**Minimum Promoter’ Contribution**”), and the Promoter’s shareholding in excess of 20% of the fully diluted post-Issue Equity Share capital shall be locked in for a period of one year from the date of Allotment.

The lock-in of the Minimum Promoter’s Contribution would be created as per applicable laws and procedures and details of the same shall also be provided to the Stock exchange before the listing of the Equity Shares.

Following are the details of Minimum Promoter’s Contribution:

Number of Equity Shares locked-in <sup>*(1)(2)(3)</sup>	Nature of Allotment / Transfer	Date of Allotment and Date when made fully paid-up	Face value (in ₹)	Issue / Acquisition Price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	% of fully diluted post-Issue paid-up capital	Period of lock-in
<b>Aditya Vikram Birla</b>							
7,50,000	Transfer from Pawan Kumar Tibrewalla	April 1, 2022	10	10	Cash	10.84	3 years
6,41,322	Transfer from Seema Tibrewalla	April 1, 2022	10	10	Cash	9.27	
<b>13,91,322</b>						<b>20.11</b>	

\* Subject to finalisation of Basis of Allotment.

(1) For a period of three years from the date of allotment.

(2) All Equity Shares are fully paid-up.

(3) All Equity Shares held by our Promoter are in dematerialized form.

For details of the build-up of the Equity Share capital held by our Promoter, see chapter titled “*Capital Structure - Shareholding of our Promoter*” on Page No. 67.

The Promoter’s Contribution has been brought to the extent of not less than the specified minimum lot and from persons defined as ‘promoter’ under the SEBI (ICDR) Regulations.

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoter’ Contribution under Regulation 237 of the SEBI (ICDR) Regulations. In this computation, as per Regulation 237 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares which are being locked-in do not, and shall not, consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets
- Equity Shares resulting from bonus issue by utilization of revaluations reserves or unrealized profits of the Company or from bonus issue against Equity Shares which are otherwise ineligible for minimum promoter’s contribution;
- Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;

- Equity Shares issued to the Promoter upon conversion of a partnership firm;
- Equity Shares held by the Promoter that are subject to any pledge; and
- Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Promoter's Contribution subject to lock-in.

Our Company has not been formed by the conversion of a partnership firm into a company in the past one year and thus, no Equity Shares have been issued to our Promoter upon conversion of a partnership firm in the past one year. All the Equity Shares held by the Promoter and the members of the Promoter Group are held in dematerialized form.

In terms of undertaking executed by our Promoter, Equity Shares forming part of Promoter's Contribution subject to lock in will not be disposed/ sold/ transferred by our Promoter during the period starting from the date of filing of this Red Herring Prospectus till the date of commencement of lock in period as stated in this Red Herring Prospectus.

Other than the Equity Shares locked-in as Promoter's Contribution for a period of three years as stated in the table above, the entire pre-Issue capital of our Company, including the excess of minimum Promoter's Contribution, as per Regulation 238 of the SEBI (ICDR) Regulations, shall be locked in for a period of one year from the date of allotment of Equity Shares in the Issue. Such lock – in of the Equity Shares would be created as per the bye laws of the Depositories.

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

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

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

In terms of Regulation 242(a) of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoter can be pledged only with any scheduled commercial banks or public financial institutions or a systemically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or financial institutions, provided that such loans have been granted for the purpose of financing one or more of the objects of the Issue and pledge of the Equity Shares is a term of sanction of such loans.

In terms of Regulation 242(b) of the SEBI ICDR Regulations, the Equity Shares held by the Promoter which are locked-in for a period of one year from the date of allotment may be pledged only with scheduled commercial banks, public financial institutions, systemically important non-banking finance companies or housing finance companies as collateral security for loans granted by such entities, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

- 17) Our Company, our Promoter, our Directors and the Book Running Lead Manager have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.
- 18) The post-Issue paid up Equity Share Capital of our Company shall not exceed the authorised Equity Share Capital of our Company.
- 19) There have been no financing arrangements whereby our Directors or any of their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Red Herring Prospectus.
- 20) No person connected with the Issue, including, but not limited to, our Company, the Syndicate Member, 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 Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.
- 21) There neither have been and there will be no further issue of Equity Shares 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 filing of the Red Herring Prospectus until the Equity Shares have been listed on the Stock Exchange or all application monies have been refunded, as the case may be.
- 22) Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Red Herring Prospectus.

- 23) There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
- 24) Our Company shall ensure that any transactions in Equity Shares by our Promoter and the Promoter Group during the period between the date of filing the Red Herring Prospectus and the date of closure of the Issue, shall be reported to the Stock Exchange within 24 hours of the transaction.
- 25) All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Red Herring Prospectus.
- 26) As on the date of this Red Herring Prospectus, the Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The BRLM and their affiliates may engage in the 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.
- 27) Our Promoter and the members of our Promoter Group will not participate in the Issue.
- 28) Following are the details of Equity Shares of our Company held by our Directors, Key Management Personnel and Senior Management:

Sr. No.	Name of Director	Number of Equity Shares	% of the pre-Issue Equity Share Capital
1)	Aditya Vikram Birla	32,63,600	63.99%
2)	Purvi Birla	7,50,000	14.71%
3)	Ram Pada Mandal	100	Negligible
4)	Anita Kumari Gupta	100	Negligible
5)	Soumya Jyoti Sarkar	100	Negligible

- 29) Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.
- 30) 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. 216 of this Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (1) of SEBI (ICDR) Regulations, as amended from time to time.
- 31) 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.
- 32) An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
- 33) Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines
- 34) No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoter to the persons who receive allotments, if any, in this Issue.
- 35) As on date of this Red Herring 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.

### **OBJECTS OF THE ISSUE**

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

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

1. Funding the expansion of our existing manufacturing unit;
2. Funding of working capital requirements of our Company;
3. Prepayment or repayment of all or a portion of certain unsecured loans availed by our Company; and
4. General Corporate Purposes.

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

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

Additionally, we believe that the listing of Equity Shares will enhance our Company’s corporate image, brand name and create a public market for our Equity Shares in India.

#### **Issue Proceeds**

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

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

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

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

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

Sr. No.	Particulars	Estimated amount
1.	Funding the expansion of our existing manufacturing unit	Up to 3,000
2.	Funding of working capital requirements of our Company	Up to 1,000
3.	Prepayment or repayment of all or a portion of certain unsecured loans availed by our Company	Up to 1,100
4.	General corporate purposes <sup>(1)</sup>	[●]

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

#### **Schedule of implementation**

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

Sr. No.	Particulars	Total Estimated Cost	Amount to be funded from the Net Proceeds	Amount to be funded from internal accruals	Estimated Utilisation of Net Proceeds
					Fiscal 2024
1.	Funding the expansion of our existing manufacturing unit	3,108.75	3,000.00	108.75	3,000.00
2.	Funding of working capital requirements of our Company	3,325	1,000	2,325 <sup>^</sup>	1,000

Sr. No.	Particulars	Total Estimated Cost	Amount to be funded from the Net Proceeds	Amount to be funded from internal accruals	Estimated of Net Proceeds	Utilisation
3.	Prepayment or repayment of all or a portion of certain unsecured loans availed by our Company	1,100	1,100	Nil		1,100
4.	General corporate purposes <sup>#</sup>	[•]	[•]	Nil		[•]

<sup>#</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

<sup>^</sup>Our Company shall also fund the incremental working capital requirements by availing loan facilities.

Since, the entire fund requirement of the objects detailed above are intended to be funded from the Net Proceeds. In view of the above, we confirm that our company the firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue is not applicable.

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, quotation from suppliers, and other commercial factors. We may have to revise our funding requirements and deployment on account of variety of factors such as our financial and market condition, government approval and clearance, business and strategy, competition, negotiation with suppliers, variation in cost estimates on account of factors, and other external factors including changes in the price of the exhibition material prices which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, subject to compliance with applicable law. For further details, see “Risk Factors” beginning on page no 23 of this Red Herring Prospectus.

The Objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. 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 Year(s) towards the Object. In case of variations in the actual utilization of funds earmarked for the purpose set forth or shortfall in the Net Proceeds or delay in raising funds through the IPO, increased fund requirements for a particular purpose may be financed from our internal accruals and/ or debt financing, as required. If the actual utilization towards any of the objects is lower than the proposed deployment, such balance will be used for funding other objects as mentioned above or towards 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 in accordance with the SEBI ICDR Regulations. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds. For further details on the risks involved in our business plans and executing our business strategies, please see the section titled “Risk Factors” beginning on page no. 23 of this Red Herring Prospectus.

## Details of Objects of the Issue

### 1. Expansion of our current manufacturing unit

As on March 31, 2023, our total manufacturing capacities are as under:

Unit Location	Capacity
Existing capacity	18,000
Proposed expansion	18,000
Expected capacity	36,000

Our Company had executed a business transfer agreement with Cosmic Ferro Alloys Limited on January 19, 2022, with a closing date of March 31, 2022, which was extended *vide* an Addendum to the Business Transfer Agreement dated August 26, 2022 with a closing date of September 15, 2022 in order to purchase the CRF unit located at Ajabnagar, Molla Simla, Singur, - 712 223, West Bengal, India including all its assets, employees, liens and liabilities, on a going concern basis. For further details, please see – “History and Certain Corporate Matters - Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation” on page 125. Our Company is a qualified and an RDSO approved supplier of cold rolled stainless sections to renowned wagon manufactures such as, Titagarh Wagons Limited, Hindusthan Engineering & Industries Limited, Melbrow Engineering Works Private Limited, Jindal Rail Infrastructure Limited, Allied Construction Engineers & Fabricators, *etc.* In addition to this, our Company also supplies

cold rolled stainless sections to direct orders of the railways through tender procurement. We manufacture our products from our CRF Unit.

Our Company is experiencing an increase in demand for its products and can foresee an increased future demand for its products, as well. During the last 5 years the Government of India has given significant importance to the expansion and modernisation of railways and specially to the wagon for goods carrier. This is reflected in the Union Budget 2022-23 in which the government allocated Rs. 140,367.13 crore (US\$ 18.40 billion) to the Ministry of Railways with focus to develop new products and efficient logistics services. In case of freight earnings, it experienced a year on year growth of 20.84%. It stood at US\$ 18.55 billion in FY22 as compared to FY21 which was at US\$ 15.35 billion. (Source www.ibef.org)

In order to capitalise the increase in demand and the opportunity in the railway industry and the engineering and manufacturing industry, our Company has decided to fund expansion of its manufacturing unit. In order to cover the difference between the demand and the supply of products, and in order to tap the growing market, it intends to enhance the manufacturing facility by 18,000 MTPA to a total of 36,000 MTPA. The cost of setting up of the enhanced production facility includes expenditure towards site development and plant and machinery costs. We confirm that none of the Plant & Machinery and ancillary equipment are second-hand in nature.

### Estimated Costs

A brief description of the estimated cost involved is provided below:

(₹ in lacs)	
Particulars	Amount
Total estimated project cost (A)	3,108.75
(less) Expenses already incurred as of March 31, 2023 (B)	Not Applicable
Balance amount to be incurred (C) = (A-B)	3,108.75
Amount to be funded from Net Proceeds (D)	3,000.00
Funding required excluding the Net Proceeds (E) = (C- D)	108.75
Funding through internal accruals (F) = (C- D)	108.75
Stated means of finance excluding the Net Proceeds (G) = 75% of (C-D)	Not Applicable
Debt facility (H)	Not Applicable
Equity funding (I)	Not Applicable
Total amount tied up (J+K)	Not Applicable

A break up of the estimated cost involved is set forth below:

The total cost involved in expansion of our existing manufacturing unit has been estimated by our management and is based on the quotations received from third party suppliers, which has been approved by our Board of Directors in their meeting dated April 21, 2023.

The detailed breakdown of such estimated cost is set forth below.

(₹ in lakhs)	
Particulars	Amount
Plant and Machinery	2,686.01
Civil and Electric Works	422.74
<b>Total</b>	<b>3,108.75</b>

**Land:** The capacity enhancement is being set up on the existing premises and no land is proposed to be purchased for the same.

**Location:** The proposed expansion will be carried out at the same location as our existing unit located at: Mouza, Ajabnagar, J.L. No-82, P.S. –Singur, Dist- Hooghly - 712 223, West Bengal, India.

**Plant Machinery, Technology and Process:** The list of Plant and Machinery proposed to be purchased is detailed below:

Sr. No.	Particulars	Units to be purchased	Per Unit Price (₹ lacs)	Total Cost* <sup>s</sup> (₹ lacs)	Quotation reference	Validity of quotation
1.	<b>Double Girder Box Type E.O.T Crane:</b>					

Sr. No.	Particulars	Units to be purchased	Per Unit Price (₹ lacs)	Total Cost* <sup>s</sup> (₹ lacs)	Quotation reference	Validity of quotation
a)	Manufactured by: M/s. Roy and Birdi Engineers	03	23.15	69.45	RBE/QN/2022-23/1540 <b>Date of the quotation :</b> March 30, 2023	Three months from the date of quotation.
	<i>Technical Specifications:</i>					
	<b>Capacity:</b> 5 M/T					
	<b>Overload:</b> 25%					
	<b>Class:</b> Class III					
	<b>IS Specification:</b> IS - 807 / 3177 / 4137.					
	<b>Machine Type:</b> Double Girder Box Type					
b)	Charges for Erection, Commissioning & Load Testing of E.O.T. Crane. (Complete Electrical & Mechanical)	03	0.60	1.80		
c)	Supply of D.S.L. (Down Shop Leads) Angle Type.	-	-	0.04		
	<b>Total cost</b>			<b>71.29</b>		
2.	<b>Machines proposed to be purchased from VP Synergic Weld Solutions Private Limited</b>					
a)	<b>3X12 Gantry type CNC Plasma-Flame Cutting Machine With 7 Flame Strip Cutting Heads With Hypertherm Power-max 105 Plasma Cutting Machine:</b>	01	30.62	<b>30.62</b>	VPSWSPL/KPN/ENQ-505/OFF-1603/MECO-KOL/2023-24 <b>Date of quotation:</b> April 3, 2023	90 days from the date of the quotation
	<i>Model No:</i> GCNCPFCM7FSH3M12M					
	<i>Manufactured by:</i> VP Synergic Weld Solutions Private Limited					
b)	<b>PEBWL 1500 Beam Welding Machine By Twin Wire Saw Process</b>	01	66.25	<b>66.25</b>	VPSWSPL/KPN/ENQ-504/OFF-1602/MECO-KOL/2023-24 <b>Date of quotation:</b> April 3, 2023	90 days from the date of the quotation
	<i>Manufactured by:</i> VP Synergic Weld Solutions Private Limited					
	<i>The machine consists of:</i>					
	Tack Welder and Conveyors at Exit for Tack welder – total 4 modules of 3M each.					
	Pull Through Welder for full welding and Conveyors with beam support rolls 4nos at Entry and 4nos at Exit for PTW – total 8 modules of 3M each.					
	Kaiyuan make Thyristor Type 1200amps SAW power source of Model ZD5-1200EJ, Integrated Twin wire controller of Model KMU6000 and Twin wire Feed head assy of model CRU6800 Twin wire SAW Package-2 Sets					
	<b>Total cost</b>			<b>96.87</b>		

Sr. No.	Particulars	Units to be purchased	Per Unit Price (₹ lacs)	Total Cost* <sup>§</sup> (₹ lacs)	Quotation reference	Validity of quotation
3.	<b>Automatic IBR roof roll forming machine</b>	01	26.46	<b>26.46</b> <sup>^</sup>	<b>Date of quotation :</b> May 31, 2023	90 days from the date of quotation.
	<i>Manufactured by:</i> Cangzhou Tuoming Machine Co., Ltd					
4.	<b>Bending Machine</b>	01	11.41	<b>11.41</b> <sup>^</sup>	<b>Date of quotation :</b> May 31, 2023	90 days from the date of quotation.
	<i>Manufactured by:</i> Cangzhou Tuoming Machine Co., Ltd					
5.	<b>H-beam Welding Equipment</b>					
	<i>Manufactured by:</i> BONO International CO. Ltd	01	71.48 <sup>^</sup>	<b>71.48</b> <sup>^</sup>	<b>Date of quotation :</b> May 31, 2023	90 days from the date of quotation.
6.	<b>YX 30 200 1000 Hydraulic Curving Machine</b>	01	18.96 <sup>^</sup>	<b>18.96</b> <sup>^</sup>	<b>Date of quotation :</b> May 31, 2023	90 days from the date of quotation.
	<i>Manufactured by:</i> BONO International CO. Ltd					
7.	<b>Automatic C/Z purlin roll forming machine</b>					
	<i>Manufactured by:</i> Cangzhou Tuoming Machine Co., Ltd	01	47.85 <sup>^</sup>	<b>47.85</b> <sup>^</sup>	<b>Date of quotation :</b> May 31, 2023	90 days from the date of quotation.
8.	<b>Two and Three wave guardrail fully automated continuous roll forming machine</b>	<b>01</b>	285.18 <sup>^</sup>	<b>285.18</b> <sup>^</sup>	20230531/30 <b>Date of quotation :</b> May 31, 2023	90 days from the date of quotation.
	<i>Manufactured by:</i> Taiyuan Rolled Mill Trade Co. Ltd					
9.	<b>LW1350 Cold Roll Forming Mill Lines</b>	<b>01</b>	984.61 <sup>^</sup>	<b>984.61</b> <sup>^</sup>	TRMT 111106 <b>Date of quotation :</b> May 31, 2023	90 days from the date of quotation.
	<i>Manufactured by:</i> Taiyuan Rolled Mill Trade Co. Ltd					
10.	<b>Roller sets of cold rolling mill production line</b>	<b>01</b>	670.48 <sup>^</sup>	<b>670.48</b> <sup>^</sup>	TRMT 120110 <b>Date of quotation :</b> May 31, 2023	90 days from the date of quotation.
	<i>Manufactured by:</i> Taiyuan Rolled Mill Trade Co. Ltd					
	<b>Total Cost</b>			<b>2,284.59</b>		
	Transportation, Loading, Unloading, freight and clearance and insurance			273.51		
	Contingencies			127.91		
	<b>Total Cost of Machinery</b>			<b>2,686.01</b>		

<sup>^</sup>The cost of machinery is in US Dollar. The amount has been converted into Indian Rupees at the exchange rate of ₹ 83= 1 \$ prevailing for the purpose of this Red Herring Prospectus. There may be fluctuation in the exchange rate between the Indian Rupee and US Dollar and accordingly such transactions may affect the final funding requirements and deployment of the Net Proceeds.

<sup>\*</sup>Inclusive of GST & Cess where input credit is not available, wherever applicable.

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

## Civil and Electric works

Our Company is undertaking the proposed expansion of our manufacturing unit with an installed capacity to manufacture 36,000 MTPA at its existing unit and has adequate land to undertake the said expansion. The total cost for the civil works is estimated at ₹ 272.64 lacs. The summary of the expenses proposed to be undertaken have been provided below:

Details	Unit	Area	Rate per unit (Rs)	Amount (₹ Lacs)
<b>Building 1</b>				
<i>Design AISC, Wind Load Application MBMA, SEISMIC IS1893 Part-I, RF-4, I-I, Zone-III, Dead Load 0.1 KN/m2, Live load 0.57 KN/m2, Wind Speed 180 KMPH</i>				
Type of the Building Lean To, Width Centre to Centre (m) 18, Length Centre to Centre (m) 73.5, Eave Height(m) Lower Side along grid -P 9.024, Roof Slope 1:10, Main frame column spacing (m) 18, Bay spacing C to C (m) 1@7, 10@6, 1@6.5, End wall type Non expandable rigid frames, End wall Column spacing (m) 3@6, Wall Bracing Cross Rod Bracing, Near Side wall fully open up to 3m HT for Block work, far Side wall Existing wall, Left end wall fully open upto 3m HT for Block work, Right wall Fully open upto 3m HT for Block work, Eave condition eave gutter at both side ,other side eave trim, crane 2 No(s) Double girder with 5 ton capacity, 16m span, 72 m travelling length and 6.5 m clear. Beam Height, Roll up door manual 4X5m 1nos. only framed opening, skylight panels 2mm poly.corb Roof 14 Nos, Skylight panels 2mm poly.corb wall 8 Nos	Square meter	1,850 m <sup>2</sup>	0.09	170.76
<b>Building 2</b>				
<i>Design AISC, Wind Load Application MBMA, SEISMIC IS1893 Part-I, RF-4, I-I, Zone-III, Dead Load 0.1 KN/m2, Live load 0.57 KN/m2, Wind Speed 180 KMPH</i>				
Type of the Building Rigid Frame clear span, Width centre to centre (m) 9, Length Centre to Centre (m) 28, Eave Height(m) 9, , Roof Slope 1:10, Distance to Ridge (m) 4.5, Main frame column spacing (m) 9, Bay spacing (m) 4@7, End wall type rigid frames, End wall Column spacing (m) 2@4.5, Wall Bracing Cross Rod Bracing, Near Side wall fully open up to 3m HT for Block work, far Side wall fully open up to 3m HT for Block work, Left end wall fully open upto 3m HT for Block work, Right wall Fully open upto 3m HT for Block work, Eave condition eave gutter at both side, crane 1 No(s). single girder with 3 ton capacity, 7.5 m span, 28m travelling length and 6.5 m cr. Beam height, Roll up door manual 4X4m 1 Nos only framed opening, skylight panels 2mm poly corb Roof 12 Nos, skylight panels 2mm poly corb wall 8 nos, PEBSL std.cage Ladder 1 No	Square meter	1,390 m <sup>2</sup>	0.07	101.87
<b>Total</b>		<b>3,240 m<sup>2</sup></b>		<b>272.64</b>

### Electric Works

The total cost for the electric works is estimated at ₹ 150.10 lacs. The summary of the expenses proposed to be undertaken have been provided below:

S. No.	Details	Total Amount (₹ in lakhs)
1.	LT Panel	38.44
2.	Cable and lugs	36.34
3.	Cable tray	10.23
4.	Structure	4.40
5.	Earthing	4.49
6.	Switch and Socket	23.84
7.	Office wiring	1.96
8.	HT part	30.40
<b>Total</b>		<b>150.10</b>

As on date of this Red Herring Prospectus, our Company has not made any payments towards any of the above mentioned proposed expenditure.

### Other confirmations relating to the proposed expansion:

We do not intend to purchase any second-hand machinery or equipment. The quotations received from vendors in relation to the above-mentioned objects of the Issue are valid as on the date of this Red Herring Prospectus. However, we have not entered into any definitive agreements with these vendors (except where orders have been placed) and there can be no assurance that the same vendor(s) would be engaged to eventually supply the machinery and equipment or we will get the machinery at the same costs. The quantity of machinery and equipment to be purchased is based on management estimates. Payments to such vendors shall be made in Indian Rupee and no foreign currency transaction is envisaged for the same. Majority of the P&M equipment are of Indian origin, however some of the machinery/ equipment shall be imported from abroad, payment of which will be made by our Company in Indian Rupee. Further, the purchase of equipment/machinery and the proposed deployment is subject to final terms and conditions agreed with the supplier including the finalization of price, payment/credit terms, delivery schedule, technology advancement and other market factors prevailing at that time. The quantity of equipment to be purchased is based on the current management estimates. Further, any additional costs incurred towards applicable taxes, freight charges, installation charges, exchange rate fluctuations, including any contingencies etc. in relation to any of the Objects or any preliminary and pre-operative expense, will be met from internal accruals of our Company.

### **Infrastructure facilities like raw material, manpower and utilities like water, etc.**

Our Company has adequate facilities and infrastructure to source and store raw materials and has existing connections for utilities like water, manpower, power *etc.* for the existing set up. The same facilities shall be utilized for the proposed expansion at our existing manufacturing unit. For details of the infrastructure and utilities, please refer to “*Our Business-Utilities*” at page 113 of this Red Herring Prospectus.

### **Government and other Approvals**

As on the date of this Red Herring Prospectus, our Company has not commenced the civil and construction work in relation to our aforementioned capital expenditure. We will apply for all such necessary approvals that we may require at the relevant stages. Set out below are the details of the requisite approvals and the stages at which the approvals will be required by our Company in relation to the construction at our existing manufacturing unit as follows:

S. No.	Name of the authority	Stage at which the approval is required
1.	Building plan approval	Before construction
2.	Fire scheme approval	Within 90 days of the building plan approval
3.	Fire no objection certificate	Before occupancy certificate
4.	Completion certificate	After work completion

Our Company has availed the government and statutory approvals required to operate the manufacturing unit at which the expansion is proposed to be undertaken. For further details, please refer to the chapter titled “*Government and Statutory Approvals*” at page 194 of this Red Herring Prospectus.

### **Proposed Schedule of Implementation**

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

Particular	estimated month of	
	Commencement	Completion
Civil Works	August, 2023	November, 2023
Order of P&M, Equipment	August, 2023	November, 2023
Delivery of machineries	November, 2023	January, 2024
Installation and erection of machineries	December, 2023	April, 2024
Trial run	June, 2024	
Commercial production	July, 2024 onwards	

### ***Means of Finance***

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

### **2. Funding the working capital requirements of our Company**

Our Company proposes to utilise up to ₹ 1,000 lakhs from the Net Proceeds towards funding its working capital requirements in Fiscal 2024.

We have significant working capital requirements, and we fund our working capital requirements in the ordinary course of business from our internal accruals/equity and financing facilities from various banks, financial institutions and non-banking financial companies. Our Company requires additional working capital for funding future growth requirements of our Company.

Our Company is experiencing an increase in demand for its products and can foresee an increased future demand for its products, as well. During the last 5 years the Government of India has given significant importance to the expansion and modernisation of railways and specially to the wagon for goods carrier. This is reflected in the Union Budget 2022-23 in which the government allocated Rs. 140,367.13 crore (US\$ 18.40 billion) to the Ministry of Railways with focus to develop new products and efficient logistics services. In case of freight earnings, it experienced a year on year growth of 20.84%. It stood at US\$ 18.55 billion in FY22 as compared to FY21 which was at US\$ 15.35 billion. (Source www.ibef.org)

In order to capitalise the increase in demand and the opportunity in the railway industry and the engineering and manufacturing industry, our Company has decided to fund its additional working capital requirement.

As of March 31, 2023, the aggregate amount sanctioned by the banks to our Company under the fund based working capital facilities amounted to ₹ 200 lakhs on a standalone basis. For details of the working capital facilities availed by us, see “Financial Indebtedness” on page 179.

#### ***Basis of estimation of working capital requirement***

The details of our existing Company’s working capital as at March 31, 2023 and the source of funding, derived from the standalone financial statements of our Company, as certified by our Statutory Auditor through their certificate dated April 20, 2023 are provided in the table below. On the basis of the existing and estimated working capital requirement of our Company on a standalone basis, and assumptions for such working capital requirements, our Board pursuant to its resolution dated April 21, 2023 has approved the estimated working capital requirements for Fiscals 2024 and 2025 as set forth below:

(₹ lakhs)				
S. No.	Particulars	As at March 31, 2023 (Actual-Restated)	As at March 31, 2024 (Estimated)	As at March 31, 2025 (Estimated)
<b>(A)</b>	<b>Current assets</b>			
(a)	Inventories	1,952.27	3,085.68	4,257.65
(b)	Financial assets		-	-
	(i) Trade receivables	583.38	1,330.09	2,188.87
(c)	Other Current Assets	153.21	598.86	660.10
	<b>Total current assets (A)</b>	<b>2,688.86</b>	<b>5,014.63</b>	<b>7,106.63</b>
<b>(B)</b>	<b>Current liabilities</b>			
(a)	Financial liabilities			
	(i) Trade payables	1,894.18	826.27	840.67
(b)	Provisions, other current liabilities and current tax liabilities (net)	172.52	863.37	937.04
	<b>Total current liabilities (B)</b>	<b>2,066.70</b>	<b>1,689.63</b>	<b>1,777.71</b>
<b>(C)</b>	<b>Total working capital requirements (C = A – B)</b>	<b>622.16</b>	<b>3,325.00</b>	<b>5,328.92</b>
<b>(D)</b>	<b>Funding pattern</b>			
(a)	IPO proceeds	-	1,000.00	-
(b)	Borrowings from banks, financial institutions and non-banking financial companies (including bill discounting) and/or internal accruals	622.16	2,325.00	5,328.92
	<b>Total</b>	<b>622.16</b>	<b>3,325.00</b>	<b>5,328.92</b>

Note: Pursuant to the certificate dated April 21, 2023, issued by the Statutory Auditor.

Our Company shall also fund the incremental working capital requirements by availing loan facilities.

#### ***Assumptions for our estimated working capital requirements***

Particulars	Holding Level for year/period ended		
	March 31, 2023 (Actual-Restated)	March 31, 2024 (Estimated)	March 31, 2025 (Estimated)
Inventories	59	53	55
Trade Receivables	18	23	28
Trade Payables	67	16	13

### Key assumptions for working capital requirements

Our Company's estimated working capital requirements on a standalone basis are based on the following key assumptions:

S. No.	Particulars	Assumptions
<b>Current Assets</b>		
1	Trade Receivables	Our Company's general credit terms vary across geographies and type of customer. We expect Debtors Holding days to be around 23 days for FY 2024 and 28 days for FY 2025 as compared to 18 days in FY 2023
2	Inventories	Inventory levels are maintained by our Company depending upon the demand and delivery schedules. We have assumed Inventories turnover days to be around 53 days for FY 2024 and 55 days for FY 2025 as compared to 59 days in FY 2023
<b>Current Liabilities</b>		
1	Trade Payables	We expect our creditors payments days be around 16 days for FY 2024 and 13 days for FY 2025 as compared to 67 days in FY 2023

### 3. Prepayment or repayment of all or a portion of certain unsecured loans availed by our Company

Our Company has entered into various financing arrangements from time to time, with various lenders. The financing arrangements availed by our Company include, *inter alia*, unsecured loans, term loans and working capital facilities. For further details, please refer "Financial Indebtedness" on page 179.

As at May 31, 2023, our total outstanding unsecured borrowings amounted to ₹ 1,278.36 lakhs. Our Company proposes to utilise an estimated amount of up to ₹ 1,100 lakhs from the Net Proceeds towards pre- payment or scheduled repayment of all or a portion of certain unsecured loans availed by our Company.

We believe that the pre-payment or scheduled repayment will help reduce our existing borrowings, assist us in maintaining a favourable debt-equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion.

The following table provides details of loans and facilities as at May 31, 2023, which are proposed to be pre-paid or partly or fully repaid by our Company from the Net Proceeds:

Sr. No	Name of the lender	Outstanding Unsecured loans as on May 31, 2023 (₹ in lakhs)	*Purpose of availing unsecured loans	Interest rate (%) p.a.	Repayment Terms
1.	Agarwalla Udyog Private Limited	178.62	Business Purpose for Working Capital Use.	9% p.a. payable yearly	Repayable within 36 months
2.	Lifetime Mercantile Private Limited	113.73			
3.	Samskar Financial Services Private Limited	81.39			
4.	Swapanli Trade Commerce Private Limited	623.12			
5.	Allnew Estate Private Limited	50.84			
	<b>Total</b>	<b>1,047.70</b>			

\*Certified by the Statutory Auditor, by way of their certificate dated June 5, 2023.

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 statutory auditor certifying the utilization of loan for the purposed availed, our Company has obtained the requisite certificate dated June 5, 2023 for the loans to be prepaid by our Company.

For further details in relation to our borrowings, please see "Financial Indebtedness" on page 179.

Payment of additional interest, prepayment penalty or premium, if any, and other related costs shall be made by us out of the internal accruals or out of the Net Proceeds as may be decided by our Company.

Given the nature of the above-mentioned borrowings and the terms of repayment, the aggregate outstanding borrowing amounts which we propose to repay may vary from time to time. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of borrowings (including refinanced or additional facilities availed, if any), in part or full, will not exceed ₹ 1,100 lakhs.

If the actual utilization towards the above object is lower than the proposed deployment, such balance will be used either for funding other objects as mentioned above or towards 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 in accordance with the SEBI ICDR Regulations.

#### 4. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] lacs towards general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds of the Issue, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- a) strategic initiatives;
- b) general procurement;
- c) brand building and strengthening of marketing activities; and
- d) ongoing general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

#### Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] lacs. The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expense, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as under:

Expenses	Estimated expenses <sup>(1)</sup> (in ₹ lacs)	As a % of the total estimated Issue expenses <sup>(1)</sup>	As a % of the total Gross Issue Proceeds <sup>(1)</sup>
Issue management fees including fees and reimbursements of Market Making fees and payment to other Intermediaries such as Legal Advisors to the IPO, Registrars and other out of pocket expenses.	[●]	[●]	[●]
Marketing and Selling commission / expenses			
Advertising and marketing expenses payable to the advertisement agency	[●]	[●]	[●]
Printing and distribution of issue stationery	[●]	[●]	[●]
Others			
- Listing fees	[●]	[●]	[●]
- SEBI and BSE processing fees	[●]	[●]	[●]
- Book Building software fees	[●]	[●]	[●]
- Other regulatory expenses	[●]	[●]	[●]
- Miscellaneous	[●]	[●]	[●]
<b>Total estimated Issue expenses</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.

Notes:

1. Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:  
Portion for RIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST) Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)

<sup>^</sup>Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).

2. The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.
3. Registered Brokers, will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.
4. SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.
5. Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.
6. The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.

The Issue expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary.

### **Interim Use of Funds**

Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds only with scheduled commercial banks. 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 shares of any other listed company or for any investment in the equity markets.

### **Bridge Loan**

Our Company has not raised any bridge loans which are required to be repaid from the Net Proceeds.

### **Monitoring of Utilisation of Funds**

In accordance with Regulation 262 of the SEBI ICDR Regulations, since the Net Proceeds do not exceed ₹ 10,000.00 lakhs, appointment of monitoring agency is not applicable.

### **Variation in Objects of the Issue**

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the Objects of the Issue unless our Company is authorised to do so by way of a special resolution of its Shareholders through a postal ballot and such variation will be in accordance with the applicable laws including the Companies Act, 2013 and the SEBI ICDR Regulations. 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. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English, one in Hindi and one in Bengali, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoter will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal to vary the objects, at a price and in such manner as may be prescribed by SEBI in Regulation 290 and Schedule XX of the SEBI ICDR Regulations.

### **Appraising Entity**

None of the Objects for which the Net Proceeds will be utilised have been appraised by any bank/ financial institution or any other agency.

### **Other Confirmations**

No part of the Net Proceeds will be paid to our Promoter, Promoter Group, Directors, our Group Companies or our Key Managerial Personnel, except in the ordinary course of business. Our Company has not entered into nor has planned to enter into any arrangement/ agreements with our Directors, our Key Management Personnel, or our Group Companies in relation to the utilisation of the Net Proceeds.

## **BASIS FOR ISSUE PRICE**

The Price Band, Floor Price and Issue Price will be determined by our Company in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 10/- and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should also refer to “*Our Business*”, “*Risk Factors*”, “*Restated Financial Statements*”, “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” and “*Other Financial Information*” on pages 106, 23, 145, 182 and 178, respectively, to have an informed view before making an investment decision.

### **Qualitative Factors**

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

- A reputed private sector manufacturer of cold rolled stainless sections in India;
- Long term sourcing arrangements for components;
- Strong focus on innovation;
- Effective Cost Control Management;
- Quality Assurance and Quality Control of our products; and
- Strong Order Book.

For further details, see “*Our Business –Strengths*” on page 107.

### **Quantitative Factors**

Some of the information presented below relating to our Company is based on the Restated Financial Statements. For details, see “*Restated Financial Statements*” on page 145.

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

#### **I. Basic and Diluted Earnings per share (“EPS”)**

<b>Fiscal<sup>^</sup></b>	<b>Basic EPS (in ₹)</b>	<b>Diluted EPS (in ₹)</b>	<b>Weight</b>
2023	13.50	13.50	2
2022	(2.52)	(2.52)	1
<b>Weighted Average</b>	<b>8.16</b>	<b>8.16</b>	<b>3</b>

<sup>^</sup>Our Company was incorporated on December 21, 2021, pursuant to a certificate of incorporation issued by the Deputy Registrar of Companies, Central Registration Centre. Therefore, the Restated Financial Information have been prepared for the Financial Years ending March 31, 2023 and March 31, 2022.

#### **Note:**

- i. *Basic EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares outstanding at the end of the period/ year.*
- ii. *Diluted EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares outstanding at the end of the period/year for diluted EPS.*
- iii. *Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the year/period.*
- iv. *The above statement should be read with significant accounting policies and notes on Restated Financial Statements as appearing in the Financial Statements.*
- v. *The EPS has been calculated in accordance with AS 20 Earnings Per Share (EPS) issued by Institute of Chartered Accountants of India.*

## II. Price/Earning (“P/E”) ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the Floor Price (number of times)*	P/E at the Cap Price (number of times)*
Based on basic EPS for Fiscal 2023	[●]	[●]
Based on diluted EPS for Fiscal 2023	[●]	[●]

\*Will be included in the Prospectus

## Industry Peer Group P/E ratio

Particulars	Industry P/E (number of times)
Highest	[●]
Lowest	[●]
Average	[●]

Notes:

(i) The highest and lowest industry P/E shown above is based on the peer set provided below under “Comparison with listed industry peers”. The industry average has been calculated as the arithmetic average P/E of the peer set provided below.

(ii) P/E figures for the peer are computed based on closing market price as on [●], divided by Basic EPS.

## III. Return on Net worth (“RoNW”)

Fiscal <sup>^</sup>	RoNW (%)	Weight
2023	39.35%	2
2022	(1.35%)	1
Weighted Average	<b>25.78%</b>	<b>3</b>

<sup>^</sup>Our Company was incorporated on December 21, 2021, pursuant to a certificate of incorporation issued by the Deputy Registrar of Companies, Central Registration Centre. Therefore, the Restated Financial Information have been prepared for the Financial Years ending March 31, 2023 and March 31, 2022.

Notes:

RoNW is calculated as net profit after taxation and minority interest attributable to the equity shareholders of the Company divided by shareholders’ funds for that year. Shareholders’ funds = Share capital + reserves & surplus – revaluation reserves.

## IV. Net asset value per Equity Share (face value of ₹ 10/- each)

Net Asset Value (“NAV”) per Equity Share as per last balance sheet:

As of March 31, 2023 Rs. 22.34/-

As of March 31, 2022 Rs. 9.70/-

NAV (book value per share) = Total shareholders’ funds divided by number of shares outstanding as of March 31, 2022 and March 31, 2023.

## Comparison of accounting ratios with listed industry peers

There are no listed companies in India that are comparable in all aspects of business and services that we provide. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

The Issue price is [●] times of the face value of the Equity Shares. The Issue Price of ₹ [●] has been determined by our Company, in consultation with the BRLM, on the basis of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Information” on pages 23, 127, 182 and 145, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “Risk Factors” on page 23 and you may lose all or part of your investment.

**STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS**

**Date:** April 21, 2023

To,

**The Board of Directors  
Cosmic CRF Limited**  
19, Monohar Pukur Road,  
Kolkata – 700 029,  
West Bengal, India

Dear Sir(s),

**Sub: Proposed initial public offering of equity shares of ₹ 10 each (the “Equity Shares”) of Cosmic CRF Limited (the “Company” and such offering, the “Issue”)**

---

We report that the enclosed statement in **Annexure**, states the possible special tax benefits available to the Company and to its shareholders under the applicable tax laws presently in force in India including the Income Act, 1961 (‘Act’), as amended by the Finance Act, 2022 i.e. applicable for FY 2022-23 and AY 2023-24, and other direct tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the stated special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. Neither are we suggesting nor advising the investor to invest money based on this statement.

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

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

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. The contents stated in the annexure are based on the information, explanations and representations obtained from the Company.

We hereby give consent to include this statement of tax benefits in the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus and submission of this certificate as may be necessary, to the SME Platform of BSE Limited where the Equity Shares are proposed to be listed (“**Stock Exchange**”) and the Registrar of Companies, West Bengal at Kolkata (“**RoC**”), SEBI or any regulatory authority and/or for the records to be maintained by the Book Running Lead Manager in connection with the Issue and in accordance with applicable law.

Terms capitalized and not defined herein shall have the same meaning as ascribed to them in the Red Herring Prospectus.

Your sincerely,

**For G A R V & Associates**  
**Chartered Accountants**  
ICAI Firm Registration No.: 301094E  
Sd/-  
Ashish Rustagi  
**Partner**  
**Membership No: 062982**

**Place:** Kolkata  
**Date:** April 21, 2023  
**UDIN:** 23062982BGRWQH8227

**Enclosed as above**

**Annexure**

CC:

**Book Running Lead Manager to the Issue**  
**Horizon Management Private Limited**  
19 R N Mukherjee Road,  
Main Building, 2nd Floor,  
Kolkata- 700 001,  
West Bengal, India

**Legal Advisor to the Issue**  
**T&S Law**  
Near Vvip Mall, Raj Nagar Extension,  
Ghaziabad – 201 017,  
Uttar Pradesh, India

## **ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND THE COMPANY'S SHAREHOLDERS**

This statement of possible special tax benefits is required as per Schedule-VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “**ICDR Regulations**”). While the term ‘special tax benefits’ has not been defined under the ICDR Regulations, for the purpose of this Statement, it is assumed that with respect to special tax benefits available to the Company and its shareholders, and the same would include those benefits as enumerated in this Annexure.

Any benefits under the taxation laws other than those specified in this Annexure are considered to be general tax benefits and therefore not covered within the ambit of this Statement.

Further, any benefits available under any other laws within or outside India, except for those mentioned in this Annexure have not been examined and covered by this statement.

**INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THEIR PARTICULAR SITUATION.**

### **STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND TO THE SHAREHOLDERS OF THE COMPANY**

#### **Direct Taxation:**

Outlined below are the special tax benefits available to the Company and its shareholders under the Income-tax Act, 1961 (the “**Act**”), as amended by Finance Act, 2022 i.e. applicable for Financial Year 2022-23 relevant to the Assessment Year 2023-24, presently in force in India.

#### **I. Special tax benefits available to the Company**

- A.** Section 115BAA, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a rate of 22% (plus applicable surcharge and education cess) for the Financial Year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified deductions or set-off of losses, depreciation etc., and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax would not be applicable and earlier year MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the income tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year. Further, if the conditions mentioned in section 115BAA are not satisfied in any year, the option exercised shall become invalid in respect of such year and subsequent years, and the other provisions of the Act shall apply as if the option under section 115BAA had not been exercised.

The Company has not opted for section 115BAA of the Act for Assessment Year 2022-23 and has represented us that as on the date of statement they have opted for section 115BAA of the Act for AY 2023-24.

#### **B. Deductions from Gross Total Income**

##### **Deduction in respect of employment of new employees:**

Subject to the fulfilment of prescribed conditions, the Company is entitled to claim deduction of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided under section 80JJAA of the Act.

##### **Deduction in respect of inter-corporate dividends – Section 80M of the Act**

Up to March 31, 2020, any dividend paid to a shareholder by a company was liable to Dividend Distribution Tax (“**DDT**”), and the recipient shareholder was exempt from tax. Pursuant to the amendment made by the Finance Act, 2020, DDT stands abolished and dividend received by a shareholder on or after 1st April 2020 is liable to tax in the hands of the shareholder, other than dividend on which tax under section 115-O has been paid. The company is required to deduct Tax at Source (“**TDS**”) at applicable rate specified under the Act read with applicable Double Taxation Avoidance Agreement

(if any).

With respect to a shareholder which is a domestic company as defined in section 2(22A) of the Income-tax Act, 1961, a new section 80M has been inserted in the Act to remove the cascading effect of taxes on inter-corporate dividends during FY 2020-21 and thereafter. The section inter-alia provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before the due date. The “due date” means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139 of the Act.

## **II. Special direct tax benefits available to Shareholders**

There are no special tax benefits available to the shareholders for investing in the Equity Shares of the Company.

## **STATEMENT OF POSSIBLE INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND THE SHAREHOLDERS OF THE COMPANY**

Outlined below are the special tax benefits available to the Company and its shareholders under the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017 (“**GST law**”), the Customs Act, 1962, Customs Tariff Act, 1975 (“**Customs law**”) and Foreign Trade Policy 2015-2020 (“**FTP**”) (collectively referred as “**Indirect Tax Laws**”) read with rules, circulars, and notifications

### **I. Special tax benefits available to the Company**

There are no possible special tax benefits available to the Company under the Indirect Tax Laws.

### **II. Special tax benefits available to Shareholders**

There are no special tax benefits available to the shareholders under the provisions of the Indirect Tax Laws.

## **SECTION V – ABOUT THE COMPANY**

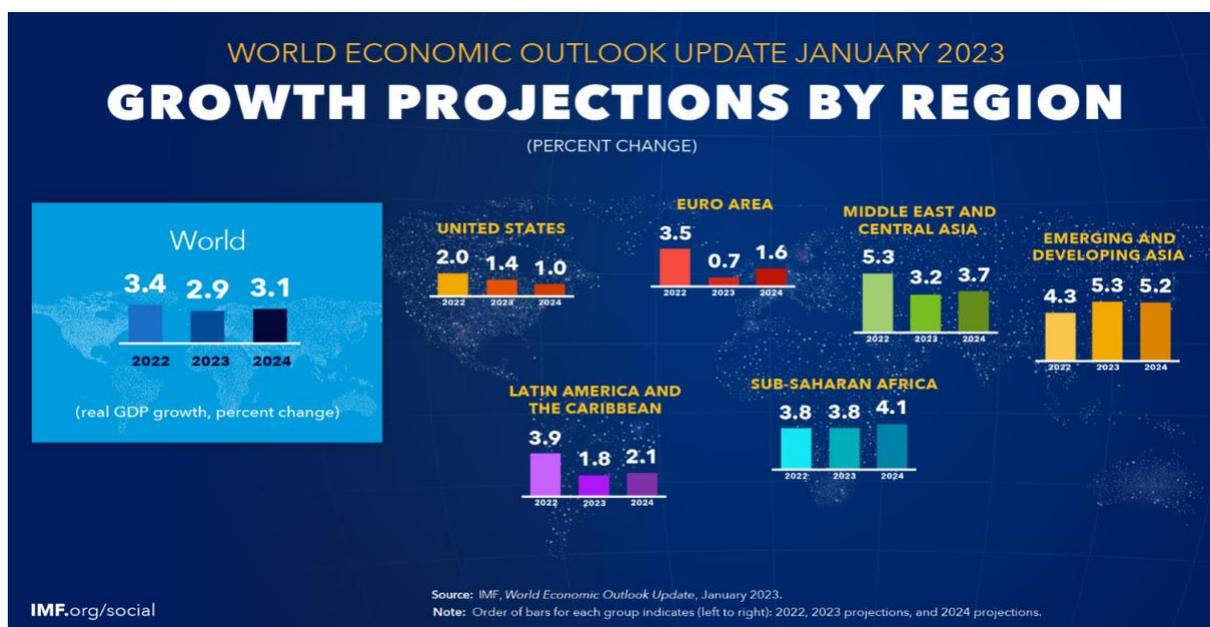
### **INDUSTRY OVERVIEW**

#### **GLOBAL ECONOMY**

Global growth is projected to fall from an estimated 3.4 percent in 2022 to 2.9 percent in 2023, then rise to 3.1 percent in 2024. The forecast for 2023 is 0.2 percentage point higher than predicted in the October 2022 World Economic Outlook (WEO) but below the historical (2000–19) average of 3.8 percent. The rise in central bank rates to fight inflation and Russia’s war in Ukraine continue to weigh on economic activity. The rapid spread of COVID-19 in China dampened growth in 2022, but the recent reopening has paved the way for a faster-than-expected recovery. Global inflation is expected to fall from 8.8 percent in 2022 to 6.6 percent in 2023 and 4.3 percent in 2024, still above pre-pandemic (2017–19) levels of about 3.5 percent.

The balance of risks remains tilted to the downside, but adverse risks have moderated since the October 2022 WEO. On the upside, a stronger boost from pent-up demand in numerous economies or a faster fall in inflation is plausible. On the downside, severe health outcomes in China could hold back the recovery, Russia’s war in Ukraine could escalate, and tighter global financing conditions could worsen debt distress. Financial markets could also suddenly reprice in response to adverse inflation news, while further geopolitical fragmentation could hamper economic progress.

In most economies, amid the cost-of-living crisis, the priority remains to achieve sustained disinflation. With tighter monetary conditions and lower growth potentially affecting financial and debt stability, it is necessary to deploy macro-prudential tools and strengthen debt restructuring frameworks. Accelerating COVID-19 vaccinations in China would safeguard the recovery, with positive cross-border spill overs. Fiscal support should be better targeted at those most affected by elevated food and energy prices, and broad-based fiscal relief measures should be withdrawn.



#### **Emerging Market and Developing Economies**

For emerging market and developing economies, growth is projected to rise modestly, from 3.9 percent in 2022 to 4.0 percent in 2023 and 4.2 percent in 2024, with an upward revision of 0.3 percentage point for 2023 and a downward revision of 0.1 percentage point for 2024. About half of emerging market and developing economies have lower growth in 2023 than in 2022.

Growth in emerging and developing Asia is expected to rise in 2023 and 2024 to 5.3 percent and 5.2 percent, respectively, after the deeper-than-expected slowdown in 2022 to 4.3 percent attributable to China’s economy. China’s real GDP slowdown in the fourth quarter of 2022 implies a 0.2 percentage point downgrade for 2022 growth to 3.0 percent—the first time in more than 40 years with China’s growth is below the global average. Growth in China is projected to rise to 5.2 percent in 2023, reflecting rapidly improving mobility, and to fall to 4.5 percent in 2024 before settling at below 4 percent over the medium term amid declining business dynamism and slow progress on structural reforms. Growth in India is set to decline from 6.8 percent in 2022 to 6.1 percent in 2023 before picking up to 6.8 percent in 2024, with resilient domestic demand despite external headwinds. Growth in the ASEAN-5 countries (Indonesia, Malaysia, Philippines, Singapore, and Thailand) is similarly projected to slow to 4.3 percent in 2023 and then pick up to 4.7 percent in 2024.

Src: <https://www.imf.org/en/Publications/WEO/Issues/2023/01/31/world-economic-outlook-update-january-2023>

# GROWTH PROJECTIONS

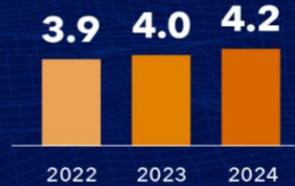
## GLOBAL ECONOMY



## ADVANCED ECONOMIES



## EMERGING MARKET & DEVELOPING ECONOMIES

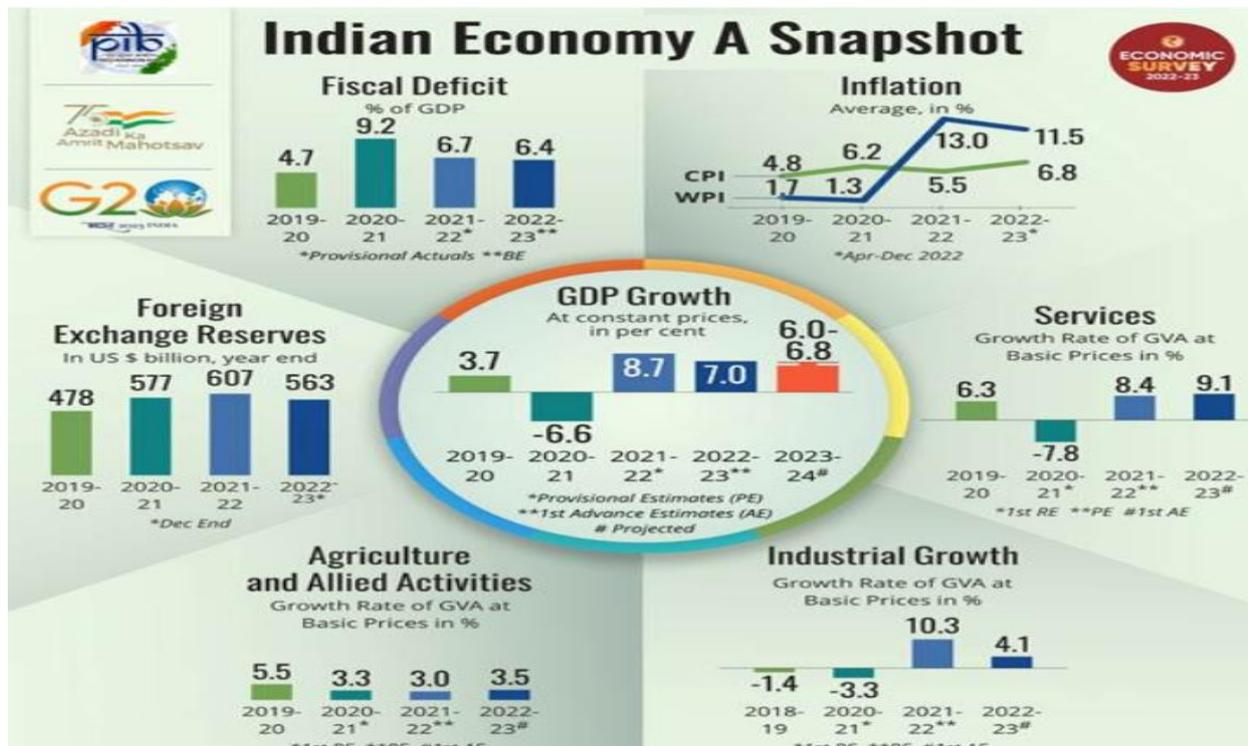


INTERNATIONAL MONETARY FUND

IMF.org #WEO

## OVERVIEW OF THE INDIAN ECONOMY

The Indian economy was impacted by the global pandemic caused by COVID-19 and still recovering from the impact of this virus. Economic growth hindered in the last year and businesses are still trying to recover from the downfall caused due to the pandemic in 2020. The real Gross Domestic Product (GDP) growth is projected to contract in 2020-21 as compared to strong growth in 2019-20. GDP growth, however, is expected to rebound strongly in 2021-22 owing to the reform measures undertaken by the Government.



Strong economic growth in the first quarter of FY 2022-23 helped India overcome the UK to become the fifth-largest economy after it recovered from repeated waves of the COVID-19 pandemic shock. Real GDP in the first quarter of 2022-23 is currently about 4% higher than its corresponding 2019-20, indicating a strong start for India's recovery from the pandemic. Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022-2023. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

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

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

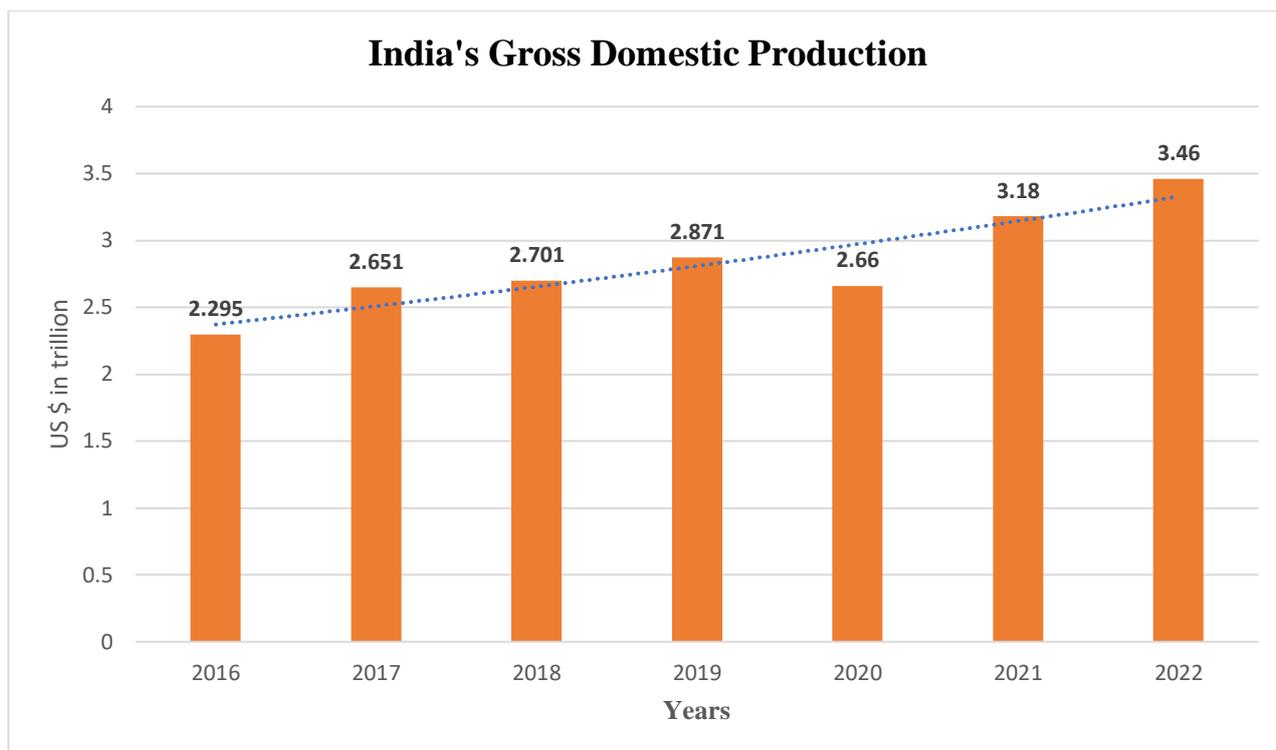
— Real GDP growth (Annual percent change) ..... 6.1  
 — Inflation rate, average consumer prices (Annual percent change) .... 5.1



India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY22. With more than 100 unicorns valued at US\$ 332.7 billion, India has the third-largest unicorn base in the world. The government is also focusing on renewable sources to generate energy and is planning to achieve 40% of its energy from non-fossil sources by 2030.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030. India's current account deficit (CAD), primarily driven by an increase in the trade deficit, stood at 2.1% of GDP in the first quarter of FY 2022-23.

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



#### **Road Ahead**

In the second quarter of FY 2022-23, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2022. India's comparatively strong position in the external sector reflects the country's generally positive outlook for economic growth and rising employment rates. India ranked fifth in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in FY 2022-23 (until August 2022), stood 46.8% higher than the same period last year. The ratio of revenue expenditure to capital outlay decreased from 6.4 in the previous year to 4.5 in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation as a result of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

Despite the continued global slowdown, India's exports climbed at the second-highest rate this quarter. With a reduction in port congestion, supply networks are being restored. The CPI-C and WPI inflation reduction from April 2022 already reflects the impact. In August 2022, CPI-C inflation was 7.0%, down from 7.8% in April 2022. Similarly, WPI inflation has decreased from 15.4% in April 2022 to 12.4% in August 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

#### **RAILWAYS IN INDIA**

The Indian railway system is regarded as the foundation and lifeblood of the economy. Indian railways span over thousands of kilometres practically covering the entire nation, making it the fourth largest in the world after the US, China and Russia. The Railways Board, which has a monopoly over the provision of rail services in India, is in charge of overseeing the whole infrastructure. Due to its low cost and effective operations, railways continues to be the most popular means of transportation for the majority of Indians when travelling long distances.

India's railway network is recognised as one of the largest railway systems in the world under single management. The railway network is also ideal for long-distance travel and movement of bulk commodities, apart from being an energy efficient and economic mode of conveyance and transport. Indian Railways is the preferred carrier of automobiles in the country.

Government of India has focused on investing in railway infrastructure by making investor-friendly policies. It has moved quickly to enable Foreign Direct Investment (FDI) in railways to improve infrastructure for freight and high-speed trains. At present, several domestic and foreign companies are also looking to invest in Indian rail projects.



India has the fourth largest railway network with over 22,593 operating trains (9141 freight and 13,452 passenger) with a daily passenger count of 24 million passengers and 203.88 million tonnes of freight. In FY22 passenger traffic stood at 3.54 billion as compared to 1.28 billion in FY21. In FY 2021-22, railway freight traffic stood at 1,400 MT. Since August 2020, the Indian Railways has run 450 Kisan Rail services and was able to transport over 1.45 lakh tonnes of agricultural produce & perishables RailTel, a PSU under the Railway Ministry, which provides fast and free Wi-Fi across the In November 2020, India Railways announced that 40% of dedicated freight corridor (DFC) will be opened for traffic by end-FY21, while the entire 2,800 km route will be completed by June 2022. India was among the top 20 exporters of railways globally as of 2017. India's export of railways has grown at a CAGR of 31.51% during 2010-2018 to US\$ 507.90 million. Exports of railways in 2019E stood at US\$ 635 million.

Indian Railways is developing and creating technology in areas such as signalling and telecommunication with 15,000 kms being converted into automatic signalling and 37,000 kms to be fitted with 'KAVACH', the domestically developed Train Collision Avoidance System.



### **Investments/ Developments**

Following are some of the major investments and developments in India's railways sector:

- Revenue growth has been strong over the years. Indian Railways' revenue reached US\$ 16.56 billion in FY 2023 (until October 2022)
- The total passenger revenue stood at US\$ 4.39 billion in FY 2023 (until October 2022)
- In FY 2023 (until October 2022) passenger traffic stood at 3.61 billion.
- Railway freight traffic growth stood at 115.8 MT in September 2022, an increase of 9.15% YoY led by incremental loading of coal, iron ore, cement and clinkers.
- FDI inflows in railway-related components stood at US\$ 1.23 billion from April 2000-June 2022.
- In case of freight earnings it experienced a year on year growth of 20.84%. It stood at US\$ 18.55 billion in FY22 as compared to FY21 which was at US\$ 15.35 billion.

- Freight remains the key revenue earning segment for the Indian Railways, accounting for 75.2% of the total revenue in FY22, followed by the passenger segment.
- Indian Railways aims to achieve 100% electrification of all broad-gauge routes by 2023.
- In November 2021, Indian Railways announced that ~102 semi-high-speed Vande Bharat Expresses are expected to commence operations by 2024, with at least 10 new trains scheduled to launch by August 2022 that will connect 40 cities.
- In July 2021, the South Central Railway zone announced infrastructure development by doubling the maximum permissible speed to 100 km per hour on the Godavari Bridge. The initiative gave a major boost to the Indian Railways on infrastructure modernisation.
- Since the launch of first 'Kisan Rail' service on August 7, 2020, the Indian Railways have operated a total of 1,040 Kisan Rail services by transporting ~3.38 lakh tonnes of consignment across 72 routes in the country until July 30, 2021.
- The Indian Railways is likely to deliver 58 super critical as well as 68 critical projects worth more than Rs.1,15,000 crore (US\$ 15.44 billion) in the next few years. 27 super critical projects will be completed by December 2021, while two projects will be handed over by March 2022. 29 super critical projects—spanning 1,044 kms and costing Rs. 11,588 crore (US\$ 1.5 billion)—have been commissioned. Four projects worth Rs. 1,408 crore (US\$ 189.05 million) have been completed and the remaining projects are targeted for completion by March 2024.
- On July 25, 2021, the Indian Railways Station Development Corporation (IRSDC), a nodal agency of the Ministry of Railways spearheading the re-development of railway stations across the country, claimed that the two railway stations will be redeveloped at an indicative cost of Rs. 1,285 crore (US\$ 172.54 million) in four years.
- The Indian Railways has decided to undertake electrification of Broad Gauge (BG) rail lines in a mission mode and is likely to complete the process by 2023-24. Of the 64,689 kms of broad gauge route, 45,881 kms has been electrified and the remaining 18,808 kms route is yet to be electrified. About Rs. 21,000 crore (US\$ 2.8 billion) is estimated to be spent on electrification of the remaining BG routes.
- In January 2021, Hyundai Motor India Ltd. (HMIL) has announced that it has exported 125 cars to Nepal via the Indian Railways. The export is claimed to be eco-friendly and the first-ever by the company. With this step, the company is aiming to reduce carbon footprint by 20,260 tonnes.
- The Indian Railways completed eight major capacity enhancement projects by taking advantage of the coronavirus lockdown. These projects included three super critical projects with a combined length of 68km, three critical projects with a combined length of 45km, upgradation of the entire 389km railway line from Jhajha in Bihar to Pandit Deen Dayal Upadhyaya Junction in Uttar Pradesh and a new 82km port connectivity line to Paradip.
- As a part of the Railways' plans to upgrade its network, the Ministry announced that all non-AC sleeper coaches will be replaced by AC coaches for trains running >130 kmph. This move has been taken as a technical necessity for high-speed trains with the bonus of improving passenger experience.

### **Government Initiatives**

The Government of India has adopted few initiatives for the Railways sector in the recent past, some of these are as follows:

- In the Union Budget 2022-23:
  - The government allocated Rs. 140,367.13 crore (US\$ 18.40 billion) to the Ministry of Railways.
  - Indian Railways will develop new products and efficient logistics services for small farmers, and small and medium enterprises. It will also take steps towards integration of postal and railway networks to provide seamless solutions for movement of parcels.
  - 100 PM-GatiShakti Cargo Terminals for multimodal logistics facilities will be developed over next three years.
  - Multimodal connectivity between mass urban transport and railway stations will be facilitated on priority.
  - 2,000 km of network will be brought under Kavach, the indigenous technology for safety and capacity augmentation.
  - 'One Station-One Product' concept will be popularized to help local businesses and supply chains.
  - The new & upgraded version of Vande Bharat Express between Gandhinagar Capital & Mumbai Central was inaugurated by Prime Minister Mr. Narendra Modi on September 30, 2022.
- In August 2022, the government launched Mission Raftaar for speed enhancement and to achieve a target of doubling average speed of freight trains and increasing the average speed of superfast /mail/express trains by 25 kmph
- In October 2021, India and Nepal signed a MoU (Memorandum of Understanding), for a proposed US\$ 3.15 billion railway line project, to connect Kathmandu and the Indian border town, Raxaul.
- Indian Railways has logged the highest ever electrification of sections covering 6,015 Route Kilometer (RKM) in a single year during 2020-21. More than 5 times electrification was achieved during (2014-21) last seven years as compared to during 2007-14.
- In April 2021, Indian Railways completed the arch closure of the under-construction Chenab Bridge which is the world's highest railway bridge. Chenab Bridge is 1315 m long and will be 35 meters higher than Eiffel Tower in Paris. The total cost of the bridge is estimated to be Rs. 1,486 crore (US\$ 200.46 million) and the design life of the bridge is said to be 120 years.
- To boost rail infrastructure and make the Indian Railways network future ready, Indian Railways has identified 56 projects across the country in various zones to be completed by Feb-Mar 2021 and FY22.
- In July 2020, the Ministry of Railways has invited Request for Qualifications (RFQ) for private participation in operating passenger train services across 109 Origin Destination (OD) routes. As part of the plan, the railways will introduce 12 trains in FY23, 45 in FY24, 50 in FY26 and 44 more in the next fiscal, taking the total number of trains to 151 by the FY27. The project would entail private sector investments of about Rs. 30,000 crore (US\$ 4.09 billion).
- The Government is going to come up with a 'National Rail Plan' to enable the country to integrate its rail network with other modes of transport and develop a multi-modal transportation network.

- A 'New Online Vendor Registration System' has been launched by Research Designs & Standards Organisation (RDSO), the research arm of Indian Railways, to have digital and transparent systems and procedures.
- The Ministry of Railways plans to monetise assets including Eastern and Western Dedicated Freight Corridors after commissioning, induction of 150 modern rakes through PPP, station redevelopment through PPP, railway land parcels, multifunctional complexes (MFC), railway colonies, hill railways and stadiums.

### **Road Ahead**

Indian Railway network is growing at a healthy rate. In the next five years, Indian railway market is expected to be the third largest, accounting for 10% of the global market. The government has announced two key initiatives for seeking private investments—running passenger trains by private operators across the railways network and redevelopment of railway stations across the country. According to Indian Railways, these projects have the potential of bringing an investment of over US\$ 7.5 billion in the next five years.

'Adarsh' Station Scheme has been started since 2009-10 and presently, railway stations are upgraded/modernised based on identified need of providing better enhanced passenger amenities at stations. Under the scheme, 1253 stations have been identified for development, out of which 1201 stations so far have been developed. The remaining 52 stations are planned to be developed by 2021-22. Indian Railways is also looking at other areas of revenue generation such as the following: a) Change in composition of coaches so that it can push the more profitable AC coach travel; b) Additional revenue streams by monetising traffic on its digital booking IRCTC; and c) Disinvesting IRCTC.



The Indian Railway launched the National Rail Plan, Vision 2024, to accelerate implementation of critical projects, such as multitrack congested routes, achieve 100% electrification, upgrade the speed to 160 kmph on Delhi-Howrah and Delhi-Mumbai routes, upgrade the speed to 130 kmph on all other golden quadrilateral-golden diagonal (GQ/GD) routes and eliminate all level crossings on the GQ/GD route, by 2024.

## **INDIAN RAILWAYS**

### **Overview**

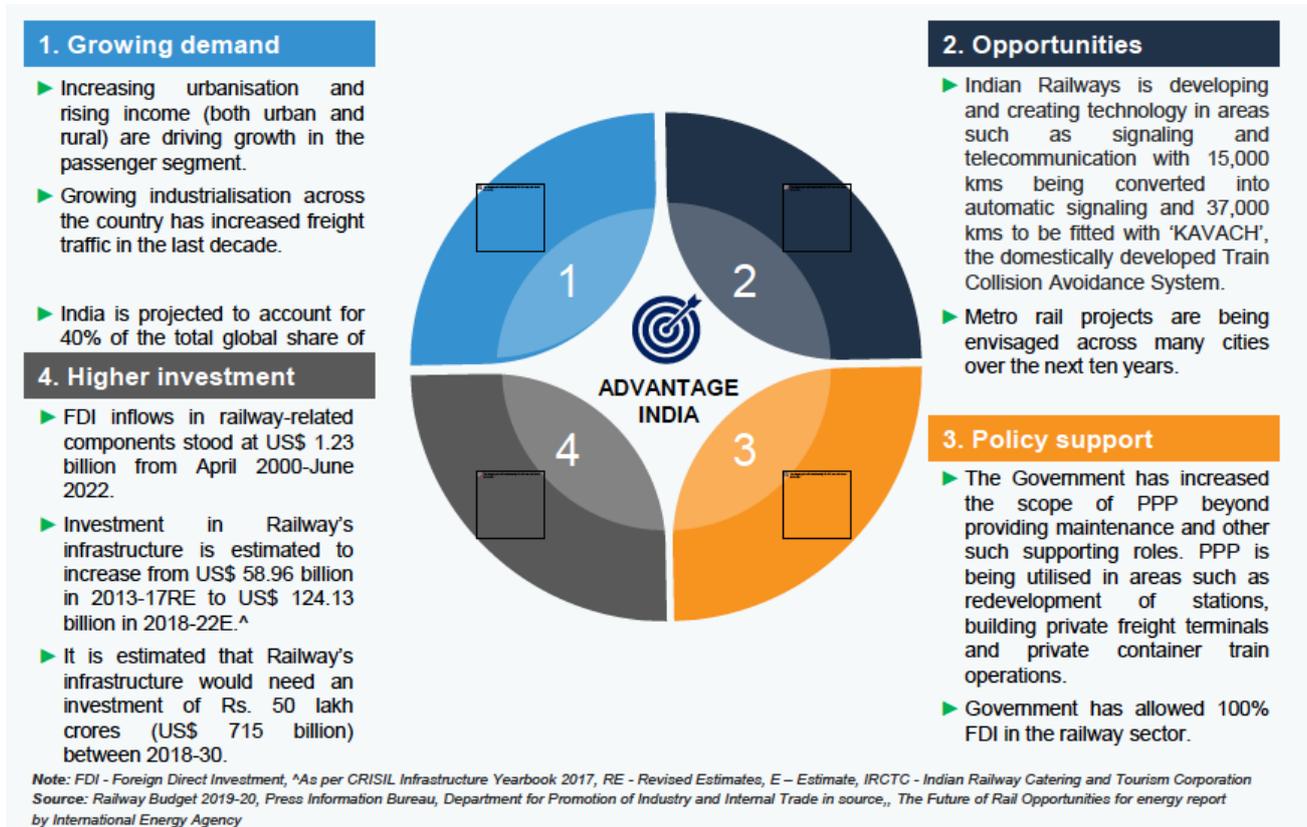
Indian Railways has 126,611 kms of total tracks over a 68,103-km route and 7,337 stations. India has the fourth largest railway network with over 22,593 operating trains (9141 freight and 13,452 passenger) with a daily passenger count of 24 million passengers and 203.88 million tonnes of freight.

Private sector companies are being encouraged to participate in rail projects, which were largely in the public domain. The cabinet approved 'participative models for rail-connectivity and capacity augmented projects', which allowed private ownership of some railway lines. The government has announced two key initiatives for seeking private investments—running passenger trains by private operators across the railways network and redevelopment of railway stations across the country. According to Indian Railways, these projects have the potential of bringing an investment of over US\$ 7.5 billion in the next five years.

To boost rail infrastructure and make the Indian Railways network future ready, Indian Railways has identified 56 projects across the country in various zones to be completed by Feb-Mar 2021 and FY22. Under the Union Budget 2022-23, the government allocated Rs. 140,367.13 crore (US\$ 18.40 billion) to the Ministry of Railways. Indian Railways will develop new products and efficient logistics services for small farmers, and small and medium enterprises. It will also take steps towards integration of postal and railway networks to provide seamless solutions for movement of parcels. India is rolling out 400 Vande Bharat trains that is expected to bring Rs. 40,000 crore(US\$ 5.24 billion) of business opportunity for the country. As part of the National Rail Plan for 2030, Indian Railways is expected to create a future-ready railway system by 2030 to bring down logistics cost and ensure 100% electrification of broad rail routes by December 2023.

Indian Railways will use LiDAR (Light Detection and Ranging) technique, with laser-enabled equipment mounted on a helicopter, to survey the surface for the Delhi-Varanasi high-speed rail corridor. In a bid to provide storm warnings and other weather updates to station masters and passengers, the Indian Railways installed automated weather forecast equipment at 19 stations under the North Western Railway zone.

**Advantages of Railways in India**



**Market Overview**

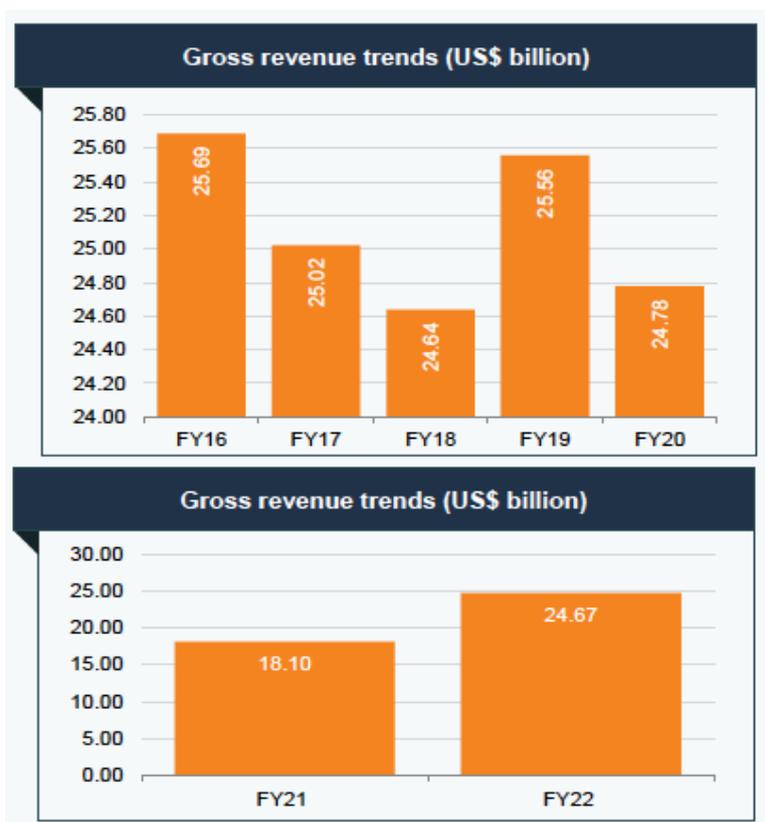
India has the fourth-largest railway system in the world, following the US, Russia and China. Indian Railway (“IR”) is:

- a departmental undertaking of the Government of India, which owns and operates most of India's rail transport.
- overseen by the Ministry of Railways.
- As of FY21, IR had a total route network of 68,103 kms.
- It daily operated 13,452 passenger and 9141 goods trains.
- It has 1,26,611 kms of total tracks over a 68,103-km route and 7,337 stations.
- It had 24 million passengers and 203.88 million tons of freight.
- Introduced 200 new Vande Bharat trains.



Source: Indian Railways Year Book 2020- 21

- Indian Railways' revenue reached US\$ 16.56 billion in FY 2023 (until October 2022).
- Revenue growth has been strong over the years. Indian Railways' revenue reached US\$ 24.67 billion in FY22. The gross revenue stood at US\$ 18.10 billion in FY21.
- Indian Railways has undertaken various measures to boost revenues including:
  - a) Passenger Earnings - introduction of new trains, operation of special trains during peak seasons, running premium special trains with dynamic pricing
  - b) Freight Earnings - reduction in distance of mini rakes, withdrawal of port congestion charge, rationalization of Merry-go-Round policy
  - c) Parcel Earnings - leasing parcel space to private parties, liberalization of parcel policy
  - d) Other Earnings - adoption of bulk advertising rights, vinyl wrapping of trains, right of way charges
- Indian Railways is also looking at other areas of revenue generation such as the following: a) Change in composition of coaches so that it can push the more profitable AC coach travel; b) Additional revenue streams by monetizing traffic on its digital booking IRCTC; and c) Disinvesting IRCTC

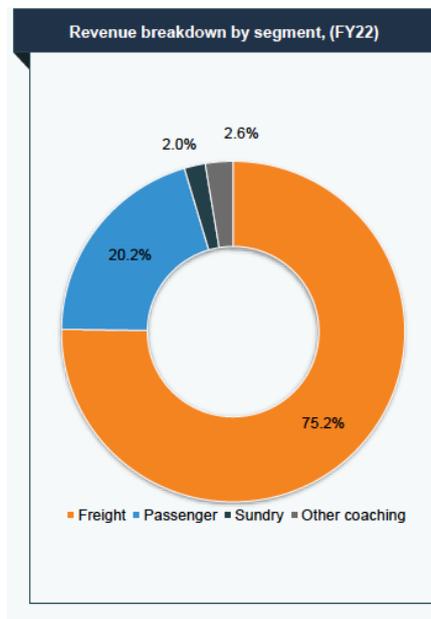


- The total passenger revenue stood at US\$ 4.39 billion in FY 2023 (until October 2022)
- The total passenger revenue stood at US\$ 4.98 billion in FY22 as compared to FY21 which was at US\$ 1.97 billion.
- In case of freight earnings it experienced a year on year growth of 20.84%. It stood at US\$ 18.55 billion in FY22 as compared to FY21 which was at US\$ 15.35 billion.
- In the first quarter of FY22, North Central Railways recorded the highest growth in freight earnings at Rs. 437.57 crore (US\$ 58.75 million), which is 24.2% more than last year's earnings of Rs. 325.33 crore (US\$ 43.68 million). Freight loading also increased to 4.32 million tones, which is 33.3% higher than last year's loading of 3.24 million tones.
- With 637.2 kms of metro rail in 13 cities and over two dozen metro projects lined up, India's metro rail network is expanding at a fast pace.



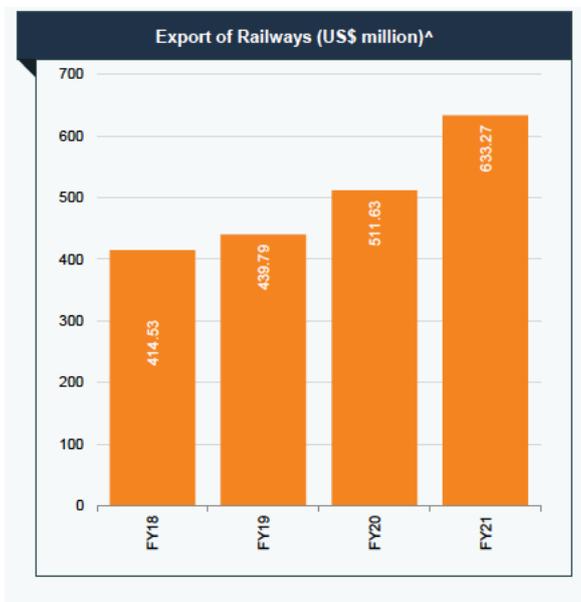
**Freight accounts for more than two-thirds of railway’s revenues**

- Freight business for Indian Railway is supported by 9 commodities, few of them being coal, iron, steel, iron ore, food grains, fertilizers, petroleum products.
- Freight remains the key revenue earning segment for the Indian Railways, accounting for 75.2% of the total revenue in FY22, followed by the passenger segment.
- Profit from the freight segment is used to cross-subsidies the passenger segment.
- In FY21, Indian Railways recorded the highest loading in freight transportation. With this, the freight revenue of Indian Railways also increased to ~Rs. 1,17,386 crore (US\$ 15.84 billion) in the same period, as against Rs. 1,13,897 crore (US\$ 15.36 billion) in FY20.
- Dedicated Freight Corridor Corp. of India Ltd. (DFCCIL) is already building two freight corridors - Eastern Freight Corridor from Ludhiana to Dankuni (1,856 km), and Western Freight Corridor from Dadri to Jawaharlal Nehru Port (1,504 km), at a total cost of Rs. 81,000 crore (US\$ 11.59 billion).
- Indian Railways plans to achieve 2,024 MT (metric tonne) loading in 2024 from the current 1,200-1,300 MT.
- Laterite, one of the key raw materials used for construction, was recently loaded and ferried between Tamil Nadu and Andhra Pradesh. The Railways ministry termed this to be the ‘new stream of freight traffic’. The first consignment generated revenue worth Rs.19.21 lakh (US\$ 25.79 thousand) for the Indian Railways.
- Originating from the mines in Kutch—laterite is brought into Chennai via six ships carrying as much as 70,000 tones of materials every year. From the Chennai Port, laterite is transported through these freight trains to cement manufacturing plants in Andhra Pradesh. According to the Southern Railways zone, the resulting freight traffic is estimated to fetch annual revenue worth Rs. 24 crore (US\$ 3.2 million) for Indian Railways.



**Export Market**

- India's export of railways grew at and reached US\$ 633.27 million by FY21 as compared to US\$ 414.53 million in FY18.
- In 2019, Train 18, Indian Railways' fastest engine-less self-propelled train, gained several queries for export.
- On July 28, 2020, Railways handed over 10 Broad Gauge (BG) locomotives to Bangladesh, under grant assistance from the Government of India.
- In January 2021, Hyundai Motor India Ltd. (HMIL) has announced that it has exported 125 cars to Nepal via the Indian Railways.
- The export is claimed to be eco-friendly and the first-ever by the company. With this step, the company is aiming to reduce carbon footprint by 20,260 tones.



### Key Players supporting Indian Railways

#### Key organisations supporting Indian Railways

1

- Navratna PSU under India's Ministry of Railways
- Carrier, terminal operator and warehouse operator



2

- SPV set up under the Ministry of Railways
- Undertakes planning and development; mobilisation of financial resources; construction, maintenance and operation of the Dedicated Freight Corridor (DFC)



3

- SPV created by the Government of India
- Builds engineering works required by Indian Railways



4

- Mini Ratna PSU with one of the largest neutral telecom infrastructure providers in the country
- Strives to modernise train control operation and safety system of Indian Railways

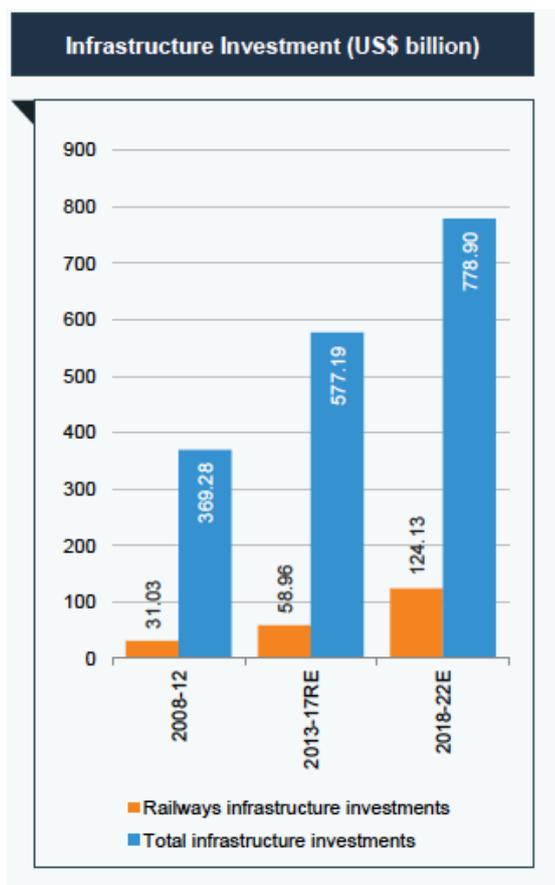


## **GROWTH DRIVERS AND OPPORTUNITIES**

- ***Infrastructure Development***

In the Union Budget 2022-23, the following major announcements were made:

- 100 PM-GatiShakti Cargo Terminals for multimodal logistics facilities will be developed over next three years.
- Multimodal connectivity between mass urban transport and railway stations will be facilitated on priority.
- 400 new-generation Vande Bharat trains will be manufactured over next three years.
- 2,000 km of network will be brought under Kavach, the indigenous technology for safety and capacity augmentation.
- ‘One Station-One Product’ concept will be popularized to help local businesses and supply chains.
- It is estimated that India will require US\$ 4.5 trillion of infrastructure investment by 2040 to enhance economic growth and community well-being. Under the Union Budget 2021-22, the government allocated Rs. 110,054.64 crore (US\$ 15.19 billion) to the Ministry of Railways.
- Indian Railways is planning annual capital expenditure of Rs. 2 lakh crore (US\$ 27.18 billion) until FY24 in line with the robust infrastructure upgrade envisaged for the railway network.
- In October 2021, the Indian Railways’ Mysuru and Hubballi workshops, under the South Western Railway zone, have established one prototype each for a High-Speed Automobile Carrier (NMGH) coach, with a capacity of 18 tones, to boost efficiency.
- Rail Land Development Authority (RLDA) is working on long-term planned projects worth Rs. 50,000 crore (US\$ 6.74 billion) for redeveloping 123 railway stations, across the country, on a self-sustainable model, which is in line with the smart city projects.
- In November 2020, Hindustan Construction Company (HCC), in a joint venture with Vensar Constructions Company (VCCL), bagged two orders totaling Rs. 236 crore (US\$ 32.05 million) from the Northeast Frontier Railway.
- The Indian Railways is likely to deliver 58 super critical as well as 68 critical projects worth more than Rs.1,15,000 crore (US\$ 15.44 billion) in the next few years.
- 27 super critical projects will be completed by December 2021, while two projects will be handed over by March 2022. 29 super critical projects—spanning 1,044 kms and costing Rs. 11,588 crore (US\$ 1.5 billion)—have been commissioned.
- Four projects worth Rs. 1,408 crore (US\$ 189.05 million) have been completed and the remaining projects are targeted for completion by March 2024.



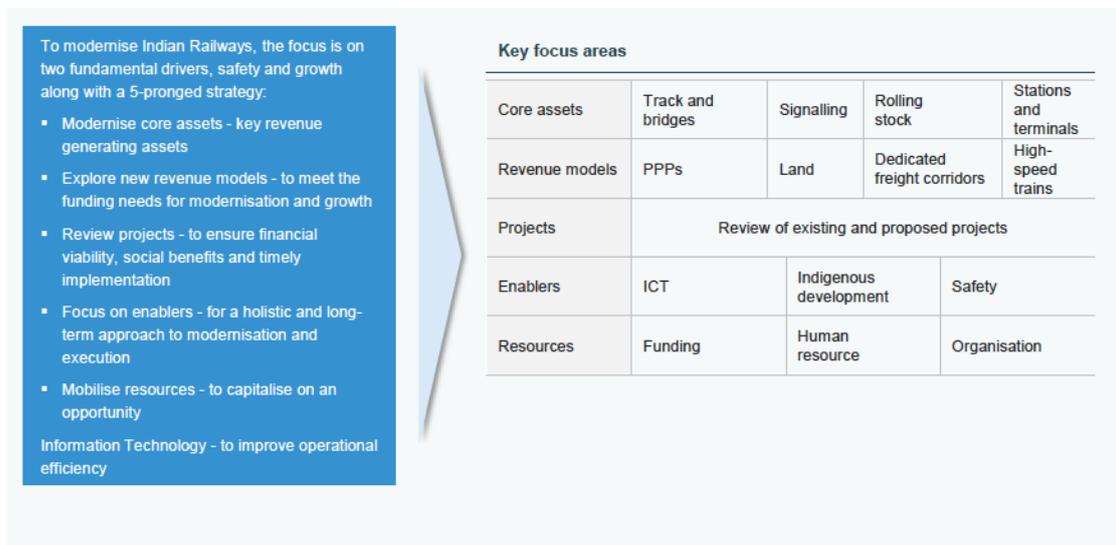
- ***Expanding scope of public private partnership (PPP)***

- In December 2012, the cabinet approved the new policy of participative models for rail-connectivity and capacity

augmented projects. The policy addressed the issues of ownership of the railway line and repayment of investment.

- Since the launch of the policy, railway authorities have received various proposals from private investors and have already given approval (can now acquire land and begin construction) for four port connectivity projects to ease congestion.
- Areas proposed for private investment during this period would include elevated rail corridor in Mumbai, some parts of dedicated freight corridor, freight terminals, redevelopment of stations and power generation/energy saving projects
- Other measures taken/proposed include:
  - Setting up of a modern signalling equipment facility at Chandigarh through PPP
  - Construction of new lines - Bhupdeopur-Raigarh (Mand Colliery) and Gevra Road-Pendara Road; Doubling of Palanpur-Samakhiali section through PPP.
  - Setting up of 2 locomotive plants through PPP is crucial for the development of infrastructure sector.
  - Setting up joint ventures (JV) with major public sector customers for fulfilling the requirements of new lines.
  - As per the Union Budget 2019-20, Government enhanced the metro railway initiative by encouraging more purchasing power parity initiatives and ensuring completion of sanctioned works, while supporting transit-oriented development (TOD) to ensure commercial activity around transit hubs.
  - Purchasing power parity projects in railways is expected to receive investment of Rs. 50 trillion (US\$ 750 billion) by 2030.
  - Western Railways division has signed a deal with the logistics partner of Amazon India for speedy transportation of parcels in Rajdhani Express. The division completed its first consignment journey from Mumbai to New Delhi in October 2020. The deal stipulates consignment deliveries for 113 days from October 2020 to February 2021 with an estimated good transportation of 2,712 tonnes; this will help generate a revenue of Rs. 2 crore.
  - In February 2021, Indian Railways called for 'Request for Qualification (RFQ)' for redeveloping New Delhi railway station under a public-private partnership, with an estimated project cost of Rs. 5,000 crore (US\$ 690.75 million).
  - In June 2021, Indian Railway Stations Development Corporation Limited (IRSDC) shortlisted nine bidders for redevelopment of Mumbai's Chhatrapati Shivaji Maharaj Terminus Railway Station (CSMT).
  - On 26 July 2021, the Ministry of Railways received bids from the private and public sectors to operate 29 pairs of trains with about 40 modern rakes, entailing an investment of ~Rs. 7,200 crore (US\$ 966.74 million).

- **Modernization strategy**



### Track Upgradation and Welded Rails

- Indian Railways aims to achieve 100% electrification of all broad-gauge routes by 2023.
- Sleepers have been upgraded from wooden, steel and CST-9 to PSC sleepers.
- Heavier section and high tensile strength rails are being used (52 kg/60 kg 90 UTS rails are being used in place of

90 R/52 kg 72 UTS rails).

- For FY22, Indian Railways has set a target of 300 kms of new lines, 1,600 kms of doubling single-line sections and gauge conversion of 500 kms, totalling 2,400 kms.

#### ***Adarsh Scheme***

- In 2009-10, Indian Railways implemented the ‘Adarsh’ Station scheme, wherein railway stations are upgraded/modernised to provide better and enhanced amenities to passengers.
- Under the scheme, 1,253 stations were identified for development, of which 1,201 stations have been developed and the remaining 52 stations will be developed by 2021-22.
- Total allocation for the scheme increased from Rs. 1,470.79 crore (US\$ 228.21 million) in 2017-18 to Rs. 3,422.57 crore (US\$ 467.25 million) in 2019-20.

#### ***Increasing Operational Efficiency***

- Design and development of 5500 HP WDG5 diesel locomotive for faster, longer and heavier trains. Development of 25 KV HV connector for multiple operation of WAP5 locomotives with 1 pantograph in raised condition.
- Launch of a zero-based timetable to increase efficiency by pruning 600 trains and eliminating halts at 10,200 train stations; this will boost revenue by Rs. 2,000 crore (US\$ 262 million)
- About 4,000 unmanned level crossings have been eliminated in one year by the Indian Railways. In August 2020, freight trains ran about 94% faster than in August 2019.
- As of May 5, 2021, Indian Railways commissioned Wi-Fi at 6,000 railway stations.
- In June 2021, the Central Government approved a Rs. 25,000 crore (US\$ 3.43 billion) five-year plan to use 4G technology to modernise communication networks in railway stations and improve safety and security of train journeys.

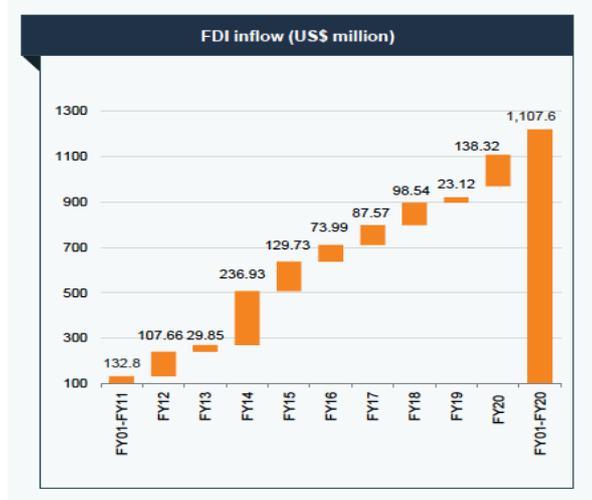
#### ***Unreserved Ticketing Services (UTS)***

- UTS was made functional at 5,778 locations with 10,760 terminals. Currently, 90% of unreserved tickets are generated through UTS. The app received 10,62,560 new users until January 2019.
- By June 2019, 3.87 lakh passengers purchased the unreserved tickets through online application.

### **POLICY AND REGULATORY FRAMEWORK**

#### ***Foreign Direct Investment (FDI)***

- 100% FDI under automatic route is permitted for approved list of projects
- FDI inflows in railway-related components stood at US\$ 1.23 billion from April 2000-June 2022.
- In July 2020, the Ministry of Railways decided to create a special cell, Project Development Cell (PDC), in the railway board to increase investments and inflow of foreign direct investment (FDI).



#### ***Automobile Freight Train Operator Scheme 2013***

To increase its share in automobiles transportation, Indian Railways notified a new scheme in March 2013, Automobile Freight Train Operator. The scheme provides logistic service providers and road transporters an opportunity to introduce

their own special wagons to run on the railways' network and avail of freight rebates in return. The requirements for the scheme are laid down as under:

- a) Companies with minimum net worth of US\$ 3.7 million or annual turnover of US\$ 5.5 million are eligible to participate in this scheme.
- b) A registration fee of US\$ 0.9 million is required to be paid to the Railway Ministry on approval as AFTOs.
- c) Companies are required to introduce at least 3 rakes and make them operational within 6 months from the commissioning of the 1st rake.
- d) The freight rates would be notified from time to time for specific stock to be moved by AFTOs.
- e) The freight rebate would be incorporated in the freight rates specified for transport of automobiles.
- f) Special wagons would be designed and developed by Research, Design and Standards Organisation (RDSO) for induction by 3rd party logistics providers and road transporters.
- g) Each rake is to have a capacity to carry 318 small cars. The rake should be tested by RDSO.
- h) To make the policy more effective, Ministry of Railways liberalised the AFTO policy by reducing registration fees from Rs. 5 crore (US\$ 0.78 million) to Rs. 3 crore (US\$ 0.47 million). Also, the requirement of minimum procurement of at least 3 rakes under the scheme has been relaxed to 1 rake.

### **R3i policy**

- The policy aims to attract private sector participation in rail connectivity projects to create additional rail transport capacity.
- The policy allows for 4 models: (a) Cost Sharing-Freight Rebate; (b) Full Contribution- Apportioned Earnings; (c) Special Purpose Vehicle (SPV); and (d) Private Line.

### **R2CI**

- This new policy was initiated to improve rail connectivity to coal and iron ore mines.
- The policy offers the developer involved in the construction of the line to levy a surcharge on the freight over a period of 10-25 years.
- The policy has two models: Capital Cost and SPV Models. The Capital Cost Model is relevant when there are 2 players, whereas the SPV Model is intended for a large number of players.

### **Public Private Partnership (PPP)**

- Connectivity to the major ports through PPP funding. Approval has been granted for 7 ports amounting to US\$ 0.7 billion.
- Development of the major stations to equip them with international level of amenities and services.
- As of October 2020, the Railway Ministry issued a policy to develop shed facilities at small/roadside railway stations aimed at augmenting terminal capacity through the participation of the private sector. Private parties are allowed to develop a goods wharf, utilities for labourers (resting space, drinking water, etc.), approach roads, loading and unloading docks and other related infrastructure.
- All facility developments will require approval from the Indian Railways and need to comply with their designs, standards and specifications.

### **Railway announcements**

- In November 2021, Indian Railways announced that ~102 semi-high-speed Vande Bharat Expresses are expected to commence operations by 2024, with at least 10 new trains scheduled to launch by August 2022 that will connect 40 cities.
- In October 2021, Indian Railways announced a plan to establish ~500 multi-modal cargo terminals under the 'PM GatiShakti' programme, with an estimated outlay of Rs. 50,000 crore (US\$ 6.68 billion) in four-five years. Through this plan, the government plans to integrate various modes of transportation for seamless movement of parcel and bulk cargo (e.g., coal and steel).
- For passenger safety, a Rashtriya Rail Sanraksha Kosh will be created with a corpus of Rs. 1 lakh crore (US\$ 15.61 billion) over a period of 5 years. It is proposed to feed about 7,000 stations with solar power in the medium term.
- By 2024, Indian railways will run completely on electricity.
- Indian Railways has completed eight major capacity enhancement projects by taking advantage of the coronavirus lockdown. These projects included three super critical projects with a combined length of 68km, three critical projects with a combined length of 45km, upgradation of the 389km railway line from Jhajha in Bihar to Pandit

Deen Dayal Upadhyaya Junction in Uttar Pradesh and a new 82km port connectivity line to Paradip.

- As a part of the Railways' plans to upgrade its network, the Ministry announced that all non-AC sleeper coaches will be replaced by AC coaches for trains running >130 kmph. This move has been taken as a technical necessity for high-speed trains with the bonus of improving passenger experience.

### **Wagon investment scheme**

- Indian Railways launched the Wagon Investment Scheme in 2005 to offer freight rebates and supply a guaranteed number of rakes for a period of 7 to 15 years for different types of wagons.
- Ministry of Railways proposed to set up 5 wagon factories in Secunderabad, Bardhaman, Bhubaneswar/Kalahandi, Guwahati and Haldia under the JV/PPP model.
- Till May 2019, 77 general-purpose rakes were approved by IR under the GPWIS policy for multiple private investors. Two rakes are already operational in the east coast zone.

### **Key modernisation initiatives**

- In an initiative to decarbonise rail transport, Indian Railways will be collaborating with public sector enterprises to boost the electrification process of railway tracks. It logged the highest-ever electrification of sections by covering 6,015 route kilometres (RKM) in 2020-21. In addition, it has achieved >5x electrification of tracks in the last seven years (between 2014 and 2021) vs. between 2007 and 2014.
- On July 25, 2021, the Indian Railways Station Development Corporation (IRSDC), a nodal agency of the Ministry of Railways spearheading the re-development of railway stations across the country, claimed that the two railway stations will be redeveloped at an indicative cost of Rs. 1,285 crore (US\$ 172.54 million) in four years.
- The Indian Railways has decided to undertake electrification of Broad Gauge (BG) rail lines in a mission mode and is likely to complete the process by 2023-24. Of the 64,689 kms of broad gauge route, 45,881 kms has been electrified and the remaining 18,808 kms route is yet to be electrified. About Rs. 21,000 crore (US\$ 2.8 billion) is estimated to be spent on electrification of the remaining BG routes.
- As of October 2021, Indian Railways completed electrification work of total 649 route kilometres, from Katihar to Guwahati, over the Northeast Frontier Railway, boosting the route's connectivity.
- In February 2021, Indian Railways decided to replace the rake of Agartala-Anand Vihar Terminal Special Rajdhani Express with the upgraded Tejas Sleeper coaches.
- Government of India preponed its target of install bio-toilets in the entire fleet of coaches by 2019. As of March 2018, bio-toilets were installed in around 60% of all passenger-carrying coaches of Indian Railways.
- Introducing 24/7 All - India helpline number through which passengers could address their problems on a real-time basis. Toll free number, 138, has been launched as 24/7 All-India helpline number and availability of toll-free number, 182, for security related complaints.

### **Participative models attracting capital**

- This policy supersedes the R3i and R2CI policies notified earlier.
- The policy provides for supplementing Government's investment in rail infrastructure projects by private capital flows.
- The policy contains the following models: non-Government railway; JV with equity participation by railways; capacity augmentation through funding by customers; capacity augmentation - annuity model applicability; and BOT.
- Few projects undertaken under the participative policy of Ministry of Railways include Jaigarh Port-Digni Port, Hamarpur-Rewas Port, Chiplun-Karad, Vaibhavwadi-Kolhapur and Indore-Mammad.

Src: [www.ibef.org](http://www.ibef.org)

## **OUR BUSINESS**

*Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You shall read the chapter titled “Forward Looking Statements” beginning on Page No. 17 of this Red Herring Prospectus, for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ending March 31 of that year.*

*The financial information used in this section, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian GAAP, Companies Act and SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Information” beginning on Page No. 23 and 145 respectively.*

Unless otherwise stated, all references in this section to “Cosmic CRF” or “the Company” or “our Company” or “we” or “our” or “us” are to Cosmic CRF Limited.

### **BUSINESS OVERVIEW**

Our Company was incorporated on December 21, 2021 as ‘Cosmic CRF Limited’, a public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the Deputy Registrar of Companies, Central Registration Centre. The corporate identification number of our Company is U27100WB2021PLC250447. Subsequently, our Company executed a business transfer agreement with Cosmic Ferro Alloys Limited on January 19, 2022, with a closing date of March 31, 2022, which was extended *vide* an Addendum to the Business Transfer Agreement dated August 26, 2022 with a closing date of September 15, 2022 in order to purchase the CRF unit located at Ajabnagar, Molla Simla, Singur, - 712 223, West Bengal, India including all its assets, employees, liens and liabilities, on a going concern basis. We commenced our business operations on September 7, 2022. For further details, please see – “Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation” on page 125.

Our Company is a qualified and an RDSO approved supplier of cold rolled stainless sections to renowned wagon manufactures such as, Titagarh Wagons Limited, Hindusthan Engineering & Industries Limited, Melbrow Engineering Works Private Limited, Jindal Rail Infrastructure Limited, Allied Construction Engineers & Fabricators, *etc.* In addition to this, our Company also supplies cold rolled stainless sections to direct orders of the railways through tender procurement. As of March 31, 2023, the total order book value of our Company is ₹ 53,640.82 lakhs, out of which orders amounting to ₹ 13,566.33 lakhs have been executed and orders amounting to ₹ 40,074.48 lakhs are ongoing. Further, as of March 31, 2023, our Company has completed 25 orders for supply of cold rolled stainless sections and 23 order are ongoing.

Pursuant to the Business Transfer Agreement dated January 19, 2022, read with the Addendum to the Business Transfer Agreement dated August 26, 2022 and September 9, 2022, our Company acquired the CRF unit of Cosmic Ferro Alloys Limited. The purchase included a manufacturing unit in West Bengal spread over an area of approximately 3.82 acres together with plant, machineries, assets and liabilities. . The unit manufactures a range of cold rolled stainless sections, such as fabricated items for railway, coach & wagons, cold rolled formed items for wagons and coaches, cold rolled formed items for infra companies and EPC projects and products for roadways and national highway.

Our product portfolio largely consists of cold rolled stainless sections, such as fabricated items for railway, coach & wagons, cold rolled formed items for wagons and coaches, cold rolled formed items for infra companies and EPC projects and products for roadways and national highway. Over the years, we have offered cost effective and customized solutions in accordance with the standardized quality requirements of our customers who work in various sectors such as railway and the infrastructure sectors. Our Company manufactures products which are compliant with the stringent requirements prescribed by Research Design and Standards Organisation, which is an ISO 9001 research and development organisation under the Ministry of Railways of the Government of India, which functions as a technical adviser and consultant to the Railway Board, the Zonal Railways, the Railway Production Units, RITES, RailTel and Ircn International in respect of design and standardization of railway equipment and problems related to railway construction, operations and maintenance. Our products are also compliant with the additional quality control standards prescribed by our customers. Further, our business model provides customised solutions to our manufacturers and also manufacture innovate solution oriented products, such as our Research and Development division (“**R&D Division**”) created new products for proto type wagons, such as CRF Section for bogie covered fly cement wagon and bogie open high sided with air breaks axle load wagon to run faster and made specially to be used in the dedicated freight corridor. Our R&D Division is equipped with the necessary facilities to carry out all necessary trials to develop and devise products suitable to the different types of wagons manufactures by our customers or for catering to the infrastructure needs of our customers. Our team of experts employed in the R&D Division carry out various tests in our in-house R&D laboratory to innovate additional applications

and solutions for our products and to manufacture customisable products for our customers which are also compliant with the customer quality requirements and regulatory standards. Our R&D Division is located in our manufacturing unit with the objective to implement a performance-oriented approach with the help of technologies developed in-house. With R&D Division in place, our Company ensures that the needs and demands of our customers suitable to their final products are effectively met.

Since incorporation, it has been our Company's vision and focus to manufacture and supply superior quality products to our customers, which has enabled us to expand our business operations and receive certifications from renowned bodies for our products and efficient manufacturing techniques. We have a quality control and assurance division ("**Quality Division**") in our manufacturing unit which carries out the required tests on the materials received including raw materials which are used in the manufacturing process and also on the final products. Our Quality Division also carries out tests on all the stages of our manufacturing processes to ensure that the quality is built through the process. We ensure adherence to the domestic and international standards laid down for our products. Our Quality Division also ensures that our products are compliant with the requirements prescribed by Research Design and Standards Organization. Our Company has received a certificate issued by Cotecna Inspection India Private Limited for certifying that our Company is compliant with quality management system of ISO 9001 :2015. Further our Company has also successfully qualified the quality audit undertaken by Research Designs & Standards Organization for (i) extension of validity of registration for Body Side Wall, End Wall and Flap Door of BOXNR Wagons with specification WD-16-BOXNR-2010 Rev 01 with Amend. no. 02 of Dec. 2016; and (ii) manufacture and supply of cold rolled formed sections for freight stock with specification WD-01-CRF-12, Rev. 1.

Our revenues from operations for the Fiscals 2023 was ₹12,148.90 lakhs. Our EBITDA for the Fiscals 2023 was ₹ 1,214.07 lakhs. Our profit after tax for the Fiscals 2023 was ₹641.20 lakhs. For further details, please refer to the section titled "*Financial Information*" on page 145 of this Red Herring Prospectus.

## OUR ORDER BOOK

Our Order Book position as at March 31, 2023 has been provided below:

<i>(₹ in lakhs)</i>				
Sl No.	Name of the Buyers	Present Orders till March, 2023	Orders Executed till March, 2023	Pending Orders till March, 2023
1.	Titagarh Wagons Limited	18,678.03	7,224.43	11,453.60
2.	Hindusthan Engineering & Industries Limited	17,189.69	4,150.50	13,039.18
3.	Melbrow Engineering Works Pvt. Ltd	14,157.41	1,412.06	12,745.36
4.	Cypress Auto Pvt. Ltd.	6.15	-	6.15
5.	Tuaman Engineering Limited	1,308.24	-	1,308.24
6.	Jindal Rail Infrastructure Limited	307.43	-	307.43
7.	Indian Railway	13.82	3.93	9.89
8.	Central Railway/ Parel	1.54	1.54	-
9.	Eastern Railway / Jamalpur	2.05	-	2.05
10.	North Western Railway - JU	7.84	-	7.84
11.	Allied Construction Engineers & Fabricators	18.41	-	18.41
12.	Texmaco Rail & Engineering Limited	46.02	23.01	23.01
13.	Orient Sales Agency	1,486.80	452.79	1,034.01
14.	Other Parties	417.38	298.07	119.30
<b>Total Orders in hand</b>		<b>53,640.82</b>	<b>13,566.33</b>	<b>40,074.48</b>

## OUR STRNGTHS

*A reputed private sector manufacturer of cold rolled stainless sections in India.*

We are primarily engaged in the business of manufacturing cold rolled stainless sections for wagon manufactures and other public sector units. We have also entered into the field of manufacturing and marketing cold rolled stainless sections which are customisable in nature and which are built with a solution oriented technique to suit the varying needs of our customers, such as CRF Section for bogie covered fly cement wagon and bogie open high sided with air breaks axle load wagon to run faster and made specially to be used in the dedicated freight corridor. We therefore believe that we are in

an advantageous position to capitalize on the continued potential growth in the manufacturing of cold rolled stainless sections in India.

***Long term sourcing arrangements for components.***

We have developed and actively maintain sourcing arrangements and strong relationships with our key suppliers. With respect to our cold rolled section manufacturing business, our ability to pro-actively source mild steel, stainless steel, carbon steel and coil plates from RDSO approved vendors domestically and internationally at competitive market prices, directly and on behalf of our customers, helps us sustain our operations. Our Company uses the best grades of steel plates and coil as raw material for the production of CRF section as per the below-mentioned standards:

- a) Stainless Steel: IRS M44, 409M
- b) Corten Steel: IRS M41
- c) Mild Steel: IS 2062, E450, E250, GRADE A , FE 570, CU WITH BR, FE 270, FE 350, E350. GRADE B

We also work pro-actively in identifying and developing new suppliers for meeting our requirements. We believe our sourcing arrangements help us maintain operational continuity and high efficiency levels.

***Strong focus on innovation***

Our Company is a qualified and an RDSO approved supplier of cold rolled stainless sections to renowned wagon manufactures such as, Titagarh Wagons Limited, Hindusthan Engineering & Industries Limited, Melbrow Engineering Works Private Limited, Jindal Rail Infrastructure Limited, Allied Construction Engineers & Fabricators, etc. In addition to this, our also supplies cold rolled stainless sections to direct orders of the railways through tender procurement. Our Company has in-house research and development facilities wherein our R&D Division creates new products for proto type wagons, such as CRF Section for bogie covered fly cement wagon and bogie open high sided with air breaks axle load wagon to run faster and made specially to be used in the dedicated freight corridor. Our R&D Division is equipped with the necessary facilities to carry out all necessary trials to develop and devise products suitable to the different types of wagons manufactures by our customers or for catering to the infrastructure needs of our customers. Our team of experts employed in the R&D Division carry out various tests in our in-house R&D laboratory to innovate additional applications and solutions for our products and to manufacture customisable products for our customers which are also compliant with the customer quality requirements and regulatory standards. In view of the competition being limited to few in this market, we believe we are in a good position to capitalise on the opportunities available in this segment.

***Effective Cost Control Management***

We have implemented a cost control system that includes, continuous monitoring and managing of costs of various inputs. Our efforts in cost control have enabled us to manage our costs in the face of increasing pressure from rising raw material prices and other costs, allowing us to maintain our margins. Strong management team with long standing industry experience We have an experienced senior management team that have decades of experience in the engineering and manufacturing industry. We believe our management team has successfully managed our business and are primarily responsible for growth in our gross revenues and profitability.

***Quality Assurance and Quality Control of our products.***

We are committed towards quality of our products. Our determination towards quality is demonstrated by well-defined quality and safety procedures at various stages of our manufacturing process from procurement of raw material to distribution of our products. Owing to the expertise of our experienced and trained team forming part of our Quality Division all our products are manufactured strictly as per the regulatory standards. Our manufacturing unit has a fully equipped Quality Division with experienced and qualified staff to carry out quality checks and inspections at all the stages of our manufacturing process. We have in-house laboratories and necessary infrastructure to test our raw materials and finished products to match the quality standards as specified by the relevant customers and by RDSO. Our Quality Division and in-house laboratories are well-equipped for ensuring the quality and compliance with international standards.

Owing to the consistent efforts of our Quality Division, we have received a certificate issued by Cotecna Inspection India Private Limited for certifying that our Company is compliant with quality management system of ISO 9001 :2015. Further our Company has also successfully qualified the quality audit undertaken by Research Designs & Standards Organization for (i) extension of validity of registration for Body Side Wall, End Wall and Flap Door of BOXNR Wagons with

specification WD-16-BOXNR-2010 Rev 01 with Amend. no. 02 of Dec. 2016; and (ii) manufacture and supply of cold rolled formed sections for freight stock with specification WD-01-CRF-12, Rev. 1.

### ***Strong Order Book***

Our Company is a qualified and an RDSO approved supplier of cold rolled stainless sections to renowned wagon manufactures such as, Titagarh Wagons Limited, Hindusthan Engineering & Industries Limited, Melbrow Engineering Works Private Limited, Jindal Rail Infrastructure Limited, Allied Construction Engineers & Fabricators, *etc.* In addition to this, our also supplies cold rolled stainless sections to direct orders of the railways through tender procurement. As of March 31, 2023, the total order book value of our Company is ₹ 53,640.82 lakhs, out of which orders amounting to ₹ 13,566.33 lakhs have been executed and orders amounting to ₹ 40,074.48 lakhs are ongoing. Further, as of March 31, 2023, our Company has completed 25 orders for supply of cold rolled stainless sections and 23 orders are ongoing.

We believe that consistent growth in our Order Book has happened due to our continued focus on our business activities and our ability to successfully bid and win new projects. We believe that our experience in execution of projects, technical capabilities, timely performance, reputation for quality and timely delivery, financial strength as well as the price competitiveness has enabled us to successfully bid and win projects. We have developed long-standing relationships with clients like Titagarh Wagons Limited, Hindusthan Engineering & Industries Limited, Melbrow Engineering Works Private Limited, Jindal Rail Infrastructure Limited, Allied Construction Engineers & Fabricators, *etc.*

## **OUR STRATEGY**

We believe that the following strengths have contributed to our success and will be of competitive advantages for us, supporting our strategy and contribute to improvements in financial performance:

### ***Continue to focus on increasing our market share and expand our portfolio of products***

We intend to continue to focus on increasing our capacity and performance in order to increase our market share in both Indian Railways and the private sector by leveraging on our strengths and providing total customer satisfaction. We are also focusing on introducing additional specified and specialised applications of our products to cater to niche segments. The changing scenario in the logistics arena has brought up the necessity to introduce modern, high efficiency products. Responding to this need we are exploring options of introducing new types of cold rolled products.

### ***Exploring newer markets for wagons***

Our primary focus is offering diversified and customized products based on our customer's specifications and requirements. Through a combination of increased capacities, reduced costs, wider range of product specifications and services adhering to global standards, marketing initiatives, competitive pricing and more efficient use of our resources, we intend to expand our global footprint with diversified applications for our products in various industries.

### ***Expand our existing product portfolio***

We have, since our inception, consistently sought to diversify our product portfolio which could cater to customers across segments, sectors, and geographies. In accordance with this, while we seek to continue to strengthen our existing product portfolio, we intend to further diversify into products with prospects for increased growth and profitability. We plan to continue to increase offerings in our current business segments as well as diversify into new products by tapping into segments which in the view of our management have attractive growth prospects. Further, we believe that since the requirements of the various sectors that our existing customers are currently servicing are continuously evolving, as a consequence of the same, there will be a continuous demand to evolve our existing products and expand our product portfolio to meet these requirements. We believe that our emphasis on quality of manufacture and timely delivery of our offerings have been a key factor in our ability to attract new customers and to retain our existing customers. We intend to draw on our experience, market position and ability to timely deliver quality products to successfully foray into other sectors as well as to other geographies.

### ***Expand our customer base***

Our Company is a qualified and an RDSO approved supplier of cold rolled stainless sections to renowned wagon manufactures such as, Titagarh Wagons Limited, Hindusthan Engineering & Industries Limited, Melbrow Engineering Works Private Limited, Jindal Rail Infrastructure Limited, Allied Construction Engineers & Fabricators, *etc.* We believe that the longstanding relationships that we have enjoyed with our customers over the years and the repeat and increased orders received from them are an indicator of our position as a preferred supplier to our customers. We believe our

continued initiatives and our reputation for quality and timely delivery will help increase our market share and product portfolio with existing customers. We have built long-standing relationships with some of our customers through various strategic endeavours, which we intend to leverage by capitalizing on the cross-selling opportunities that our diversified product portfolio offers. We believe we offer customers with a reliable, convenient and cost effective option to satisfy their requirements and we intend to continue to leverage our sales and marketing network, diversified product portfolio and our industry standing to establish relationships with new multinational, regional and local customers and expand our customer base.

### ***Strengthen our marketing network***

We continue to enhance our business operations by ensuring that our customer base increases through our marketing efforts. We believe that our ability to customize our products for the various applications by our customers can help us diversify our operations across different customer segments. Our core competency lies in the thorough understanding of our customers' needs and preferences, our vision to engage in sustainable practices and providing unparalleled quality of our products thereby achieving customer loyalty. We intend to strengthen our existing marketing team by inducting qualified and experienced personnel, who will supplement our existing marketing strategies in the domestic and international markets.

We would aim our business strategies to be dynamic and proactive, given the macro and micro market environments in which we operate or where we may expand in the future. Our Company shall always strive to:

- achieve maximum operational efficiency;
- strengthen and expand our market position and product portfolio;
- enhance our depth of experience, knowledge-base and know-how; and
- increase our network of distributors, customers and geographical reach.

## **FINANCIAL SNAPSHOT:**

### **Financial Snapshot of our Company as per Restated Financial Information is as under:**

(Amount in ₹ Lakhs)

Particulars	FY 2022-23	FY 2021-22
Revenue from Operations	12,148.90	Nil
Total Revenue	12,149.31	Nil
EBITDA	1,214.07	(15.76)
<b>EBITDA Margin (in %)</b>	9.99%	NA
PAT	641.20	(11.80)
<b>PAT Margin (in %)</b>	5.28%	NA

*Note:*

1. EBITDA Margin = (Restated profit before tax + Finance Cost + Depreciation and amortization expense) / Total Revenue;
2. PAT Margin = PAT / Total Revenue

### **Top Suppliers and Customers**

In the table below are listed some of our suppliers and customers. The table below shows the broad categories of products and services that we procure or provide from and to our suppliers and customers respectively:

Suppliers	What we buy
SAIL, TWL	IRSM- 44 and Grade 409 M Stainless Steel (Railway Grade)
Ramesh Co., TATA BSL	IS - 2062 E450 Fe570 Cu BR Mild Steel Coils & Mild Steel Plates
Orient Sales Agency	IS - 5986 / IS - 2062 Mild Sheet
Surendra Industries	E-250 Grade -A Galvanized

Customers	What we sell
TWL, HEI, TEXMACO	Cold Rolled Formed items for Wagons and Coaches
Indian Railways	Fabricated Items for Railway , Coach & Wagons
Orient Sales Agency, Blueberries Steel & Concrete Pvt Ltd	Sheet Piles

### **Top five suppliers**

Particulars (in ₹ lakhs)	FY23	FY22
Top 5 total purchase value	11,592.08	NA**
Total Cost of raw material Purchased	12,280.50	NA**

Particulars (in ₹ lakhs)	FY23	FY22
% of Total Cost of raw material Purchased	94.40%	NA**

\*\*Since the Company has no production activities in these years there was no sale during financial year 2021-22 & 2020-21.

#### Top five customers

Particulars (in ₹ lakhs)	FY23	FY22
Top 5 total sales value (Basic Value)	11,508.25	NA**
Total Revenue	12,148.90	NA**
% of Total Revenue	94.73%	NA**

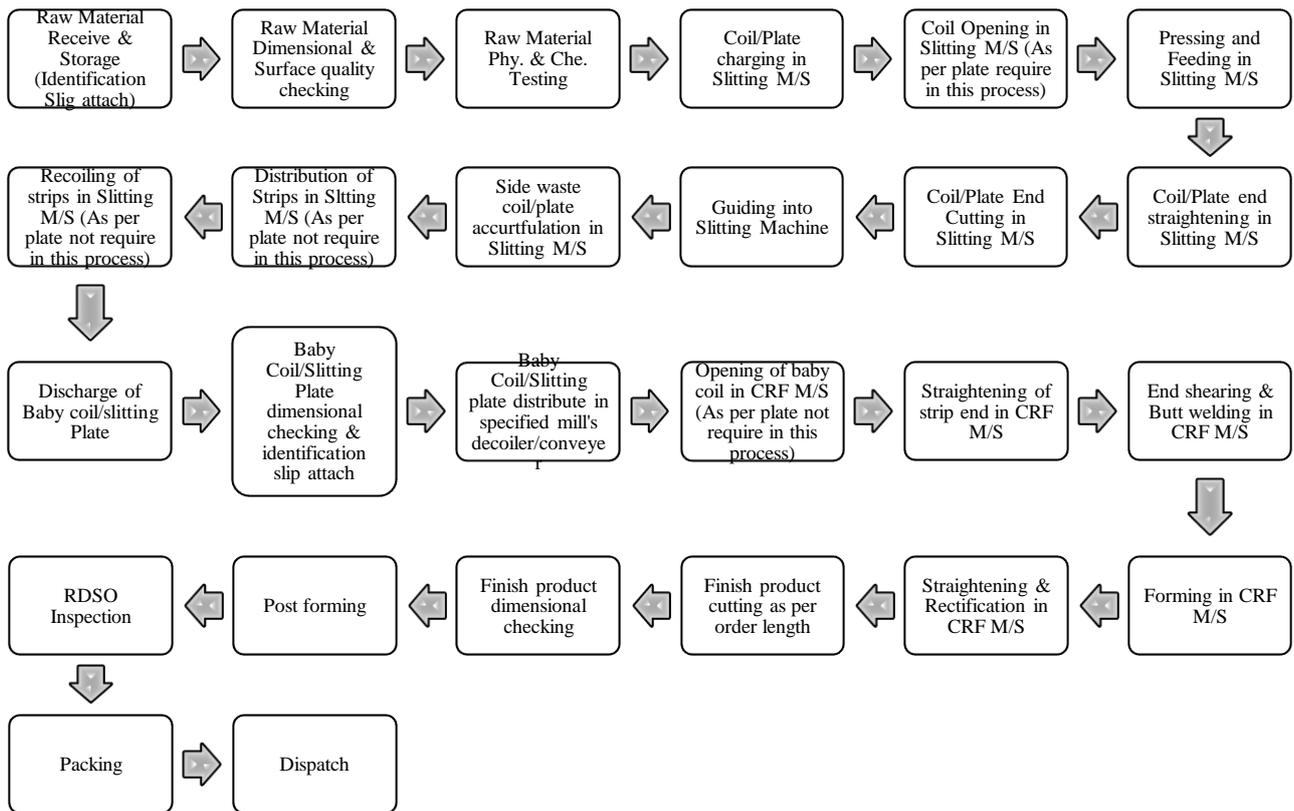
\*\*Since the Company has no production activities in these years there was no sale during financial year 2021-22 & 2020-21.

#### Our Key customers:

Party Name	Logo
Titagarh Wagons Limited	
Hindusthan Engineering & Industries Ltd.	
Texmaco Rail & Engineering Limited	
Melbrow Engineering Works Pvt.Ltd.	
Indian Railways	

## BUSINESS PROCESS

The following is a diagrammatic representation of the business process of our Company:



## OUR PRODUCT PORTFOLIO

S. No.	Product Category	Application	Raw Material Grade
1	Fabricated Items for Railway, Coach & Wagons 	For Manufacturing of Coaches & Wagons	IS - 2062 E450 Fe570 Cu BR
2	Cold Rolled Formed items for Wagons and Coaches 	For Manufacturing of Coaches & Wagons	IRSM- 44 and 409 M
3	Cold Rolled Formed items for Infra Companies and EPC Projects ( Sheet pile ) – Z Types	For retainer walls through interlocking sheet to provide cofferdam against excavation	IS - 5986 / IS - 2062

S. No.	Product Category	Application	Raw Material Grade
			
4	Products for Roadways and National Highway – High-mast, Crash barrier and C Purlins 	For light polls. Street lights, anti-collision and safety items for roadways	E-250 Grade -A Galvanized

## HUMAN RESOURCE

Our manpower is a prudent mix of the experienced and young people which gives us the dual advantage of stability and growth, along with assurance of quality. Some of the selected resource are sent to Austria to get trained and gain the skill what is needed for operation and giving solution of the products sold.

Department wise bifurcation of our employees are as under as on March 31, 2023:

Department	Number of employees
Finance & Accounts	6
Administration	4
Production	6
Electrical	4
Human Resource	1
Others	8
<b>Total</b>	<b>29</b>

Apart from the regular employees, we also engage contract labor as per the production requirement from time to time.

## UTILITIES

### Power

The Company does not require much power except the normal requirement of the office of the Company and for lighting, systems running etc. Adequate power is available for office from local authority.

### Water

Adequate arrangements with respect to water requirements is available at the registered office of our Company which are sourced from local authority.

### Technology

Our Company is a technology services provider, we have adequate computer systems such as cloud hosted ERP, servers and other communication equipment's, Internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

## MACHINERY

Sr. No.	Machine Name	Function of the Machine
1	Lw-400, Lw-600, Lw-1300 Line Mills	Cold Rolled Forming
2	Slitting & Cutting Machine	Slitting & Cutting
3	Decoiler	Cutting
4	Cooling System	Cool Down Temperature
5	EOT Cranes	Cranes
6	Hydraulic Press	Cutting
7	Marking Machine	Name Marking
8	Mig Welding Machine	Welding

## CAPACITY INSTALLED AND CAPACITY UTILISATION

Set forth below is the detail of the installed and utilized capacity of our manufacturing unit for the last three years.

Financial Year	Installed Capacity (in MTPA)	Utilized Capacity (in MTPA)	Percentage of utilization (%)
2022-2023	18000 MT	9062.545 MT	50.347 %

*Note: The Company was incorporated on December 21, 2021 and the production incorporated in the books of the Company pursuant to the Business Transfer Agreement dated January 19, 2022 w.e.f. September 7, 2022.*

## COLLABORATIONS

As on date of this Red Herring Prospectus, we have not entered into any technical or financial collaborations or agreements.

## CORPORATE SOCIAL RESPONSIBILITY

We as a responsible corporate citizen are committed to take up different developmental projects, as part of our Corporate Social Responsibility (“CSR”) initiatives towards improving the quality of lives of the underprivileged sections of the society and other stakeholders. Our CSR strategies are aligned to national priorities to meet the basic needs of the local community. Our CSR policy defines the framework for implementing CSR activities in compliance with Section 135 of the Companies Act, 2013 and rules framed thereunder. The CSR committee has been constituted as per the applicable act. We demonstrate our commitment towards our communities by committing our resources and energies to social development and we have aligned our CSR programs with Indian legal requirements. In furtherance of the same, we endeavour undertake CSR activities such as, eradicating hunger, poverty and malnutrition; promoting health care including preventive health care and sanitation; promoting education and such other activities as covered in the Company’s CSR Policy and Schedule VII of the Companies Act, 2013, from time to time.

### Insurance

We generally maintain insurance covering our stocks, machineries and assets at such levels that we believe to be appropriate. We have availed industrial all risk policy and disruption of service policy.

### Marketing

The efficiency of the marketing and sales network is critical to the success of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company. The promoter of the company having vast experience and good rapport with the customers owing to timely and quality delivery of products plays an instrumental role in creating and expanding a work platform as well as building trust for our Company.

To develop customers, our management and other personnel, directly interacts with prospective customers and also market our products to our existing customers. To increase our customer base, we identify the prospective clients, understand their requirements, explain them our product range and value addition we can offer. We strictly adhere to the quality expectations of the customers and at times take inputs from them and providing them with best of technology that is present in the world which help us in improving our product’s quality and thus enable us to match up to their expected standards. We also intend to expand our existing customer base by reaching out to other geographical areas. We are committed to promote our business by widening our presence through our marketing network.

## INTELLECTUAL PROPERTY RIGHTS

As on date of this Red Herring Prospectus, our Company has made the following application for registering our trademark:

Sr. No.	Particulars	Trade Mark Application	Date of Application	Class	Status
1.		5600032	September 7, 2022	06	Objected <sup>^</sup> .
2.		5600031	September 7, 2022	06	Objected <sup>^</sup> .

<sup>^</sup>Our Company has filed a reply to the objection received.

## INFRASTRUCTURE AND FACILITIES

### Registered Office

**Cosmic CRF Limited**  
19, Monohar Pukur Road,  
Kolkata – 700 029,  
West Bengal, India.

### Manufacturing unit

Mouza, Ajabnagar, J.L. No-82,  
P.S. –Singur, Dist- Hooghly – 712 223,  
West Bengal, India.

All our facilities including our R&D Division and Quality Division are housed in our manufacturing unit.

### Warehouse

The Company does not have any separate warehouse and stock is maintained at the manufacturing plant.

## LAND AND PROPERTY

We carry out our business operations from the following properties:

### i) Freehold Property

Sr. No.	Particulars of the Property	Usage
1.	18, Decimal of Freehold Sali Land bearing L R Dag No-485 under Mouza, Paltagarh, J.L. No-83, P.S-Singur, Dist- Hooghly – 712 223, West Bengal, India.	Investment
2.	3.82 Acres of Land under Mouza, Ajabnagar, J.L. No-82, P.S. –Singur, Dist- Hooghly under 21 Plot nos having BLLRO Khaitan No-1358, P.S-Singur, Dist- Hooghly – 712 223, West Bengal, India.	Manufacturing Unit

### ii) Leave and License Agreements

Our Company has entered into the following leave and license agreement:

Sr. No.	Details of the agreement	Particulars of the Property	Rent/ License Fee	Tenure	Usage
1.	Leave and license agreement dated December 19, 2022 executed between Prilika Enterprises Private Limited and our Company	Second floor, 19, Monohar Pukur Road, Kolkata – 700 029, West Bengal, India	₹ 2.49 lakhs per month Security deposit: ₹ 7.46 lakhs	3 years w.e.f. December 20, 2022	Registered Office

## **KEY INDUSTRIAL REGULATIONS AND POLICIES**

*The following description is an overview of certain sector-specific relevant laws and regulations in India which are applicable to the operations of our Company and its business. The description of laws and regulations set out below is not exhaustive and is only intended to provide general information to Bidders. The information in this section is neither designed nor intended to be a substitute for professional legal advice and investors are advised to seek independent professional legal advice.*

*The statements below are obtained from publications available in the public domain based on the current provisions of applicable Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions and our Company or the LM are under no obligation to update the same.*

### **A. Industry Related Laws and Regulations**

#### ***National Steel Policy, 2017 (“NSP 2017”)***

The NSP 2017 seeks to enhance domestic steel production with focus on creating a technologically advanced and globally competitive steel industry in India that promotes economic growth. The NSP 2017 aims to create an environment for attaining self-sufficiency in steel production by providing policy support and guidance to private manufacturers. The intent is to strengthen the research and development of national importance in the iron and steel sector by utilizing tripartite synergy among industry, national research and development laboratories and academic institutions. The NSP 2017 covers, inter alia, steel demand, steel capacity, raw materials, including iron ore, iron ore pellets, manganese ore, chromite ore, ferro-alloys, land, water, power, infrastructure and logistics, and environmental management.

#### ***Steel and Steel Products (Quality Control) Order, 2020 (“Quality Control Order”)***

The Quality Control Order was notified by Ministry of Steel and published in Official Gazette of India on May 27, 2020 in supersession of the earlier issued Steel and Steel Products (Quality Control) Order, 2018 and its amendments thereto. The Quality Control Order provides that every steel and steel products shall bear a standard mark under the license given by Bureau of Indian Standards (the “BIS”). Also the BIS shall be the certifying and enforcing authority in respect of steel and steel products. Further, the Quality Control Order provides schedule of Indian Standards to be followed with respect of various steel and steel products.

#### ***General Conditions of Contract under Indian Railways, 2014 (“GCC”)***

Indian Railways have introduced General Conditions of Contracts (GCC) for Services to define the terms & conditions for the Contractor setting out the conditions for careful examination of nature of the work, location of the work, the conformation of the ground, the character, quality and quantity of the materials to be encountered, the character of equipment and facilities needed preliminary to and during the progress of the works, the general and local conditions, the labour conditions prevailing therein and all other matters which can in any way affect the works under the contract.

#### ***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.

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

The BIS Act provides for the establishment of the Bureau of Indian Standards (“BIS”) for the harmonious development of the activities of standardisation, conformity assessment and quality assurance of goods, articles, processes, systems and services. The BIS Act for the functions of the BIS which includes, among others, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) undertake testing of samples for purposes other than for

conformity assessment and (d) undertake activities related to legal metrology. The BIS Act empowers the Central Government in consultation with the BIS to order compulsory use of standard mark for any goods or process if it finds it expedient to do so in public interest. The BIS Act also provides the penalties in case there is a contravention of the provisions of the BIS Act.

### ***The Legal Metrology Act, 2009 (“Legal Metrology Act”) and Legal Metrology (Packaged Commodities) Rules, 2011***

The Legal Metrology Act was enacted to establish and enforce standards of weights and measures and to regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. It repealed and replaced the Standard of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. Making use of any numeration not in accordance with the standards of weights and measures prescribed under the Legal Metrology Act may be punished by a fine which may extend to ₹25,000 and for the second or subsequent offense, with imprisonment for a term not exceeding six months and also with fine. Any transaction, deal or contract in contravention of the standards of weights and measures prescribed by the government may be punished with fine which may extend to ₹ 10,000 and for the second or subsequent offence, with imprisonment for a term which may extend to one year, or with fine, or both. The Legal Metrology Act permits the central government to make rules thereunder to carry out provisions of the Act. Further, states may, after consultation with the central government, frame state specific rules under this Act to provide for the time limits for verification of weights and measures, maintenance of registers and records, manner of notifying government authorities, fees for compounding of offences etc.

The Legal Metrology (Packaged Commodities) Rules, 2011 framed under the Legal Metrology Act lay down specific provisions applicable to packages intended for retail sale, wholesale packages and for export of packaged commodities and also provide for registration of manufacturers, packers and importers. Also, the Legal Metrology (Government Approved Test Centre) Rules, 2013 have laid down specifications about verification of weights and measures specified therein by government approved test centre.

### ***Electricity Act, 2003***

The Electricity Act, 2003 (the “***Electricity Act***”) was enacted to regulate the generation, transmission, distribution, trading and use of electricity by authorising a person to carry on the above acts either by availing a license or by seeking an exemption under the Electricity Act. Additionally, the Electricity Act states no person other than Central Transmission Utility or State Transmission Utility, or a licensee shall transmit or use electricity at a rate exceeding 250 watts and 100 volts in any street or place which is a factory within the meaning of the Factories Act, 1948 or a mine within the meaning of the Mines Act, 1952 or any place in which 100 or more persons are ordinarily likely to be assembled. An exception to the said rule is given by stating that the applicant shall apply by giving not less than 7 days’ notice in writing of his intention to the Electrical Inspector and to the District Magistrate or the Commissioner of Police, as the case may be, containing the particulars of electrical installation and plant, if any, the nature and purpose of supply of such electricity. The Electricity Act also lays down the requirement of mandatory use of meters to regulate the use of electricity and authorises the Commission so formed under the Electricity Act, to determine the tariff for such usage. The Electricity Act also authorises the State Government to grant subsidy to the consumers or class of consumers it deems fit from paying the standard tariff required to be paid. The Electricity Act also states the mechanism for seeking judicial relief by setting up an Appellate Tribunal and laying down the process to seek justice against the orders of the Commission established under the Electricity Act.

### ***Shops and Establishments Legislations***

Establishments are required to be registered under the provisions of local shops and establishments legislations applicable in the states where such establishments are set up. Such legislations regulate the working and employment conditions of workers employed in such shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Shops and establishments have to be registered under the shops and establishments legislations of the respective states where they are located.

### ***Municipality Laws***

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective States of India have enacted laws

empowering the municipalities to issue trade license for operating stores and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

### ***West Bengal Shops and Commercial Establishment Act, 1963 (the “Act”)***

The Act is applicable to all the shops and commercial establishments in the areas notified by Government of West Bengal. The Act was enacted for the purpose of protecting the rights of employees and also provides for the regulations of the payment of wages, terms of services, work hours, rest intervals, overtime work, opening and closing hours, closed days, holidays, leaves, maternity leave and benefits, work conditions, rules for employment of children, records maintenance, etc.

### ***Indian Stamp (West Bengal Amendment) Act, 1990 (“WB Stamps Act”)***

The purpose of WB Stamps Act was to streamline and simplify transactions of immovable properties and securities by the State Government. The WB Stamps Act provides for the imposition of stamp duty at the specified rates on instruments of the WB Stamps Act. Stamp duty is payable on all instruments / documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state.

### ***The West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979 (“The Act”)***

The Act provides for the Levy and Collection of a Tax on Professions, Trades, Callings and Employments for the benefit of the State. Every person engaged in any profession, trade, calling or employment and falling under one or the other of the classes as segregated in the Act, shall be liable to pay to the State Government the tax at the rate mentioned against the class of such person. The tax payable under this Act by any person earning a salary or wage, shall be deducted by his employer from the salary or wage payable to such person, before such salary or wage is paid to him, and such employer shall, irrespective of whether such deduction has been made or not, when the salary or wage is paid to such persons, be liable to pay tax on behalf of all such person. The Act mandates that every person, who is liable to pay tax, shall obtain a Certificate of Registration, and a Certificate of Enrolment from prescribed authority in prescribed manner.

### ***Transfer of Property Act, 1882***

The Transfer of Property Act, 1882 (the “***T.P. Act***”) governs the transfer of property, including immovable property, between natural persons excluding a transfer by operation of law. The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The T.P. Act also provides for the rights and liabilities of the vendor and purchaser in case of a transaction relating to sale of property and the lessor and lessee if the transaction involves lease of land, as the case may be.

### ***Sale of Goods Act, 1930***

The Sale of Goods Act, 1930 (the “***Sale of Goods Act***”) governs contracts relating to the sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract for sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for the sale of goods.

### ***The Registration Act, 1908***

The Registration Act, 1908 (the “***Act***”) was passed to consolidate all the previous legislations which were enacted in relation to the registration of documents. This Act was promulgated to achieve the purpose of maintaining a proper regulatory record of transactional documents with a recognized officer in order to safeguard the original copies. The Act lays down two types of registration of documents, one being mandatory registration, which has been laid down under Section 17 of the Act and relates to documents such as, *inter alia* gift deed or transfer deed for an immovable property, non-testamentary instruments purporting to an interest in any immovable property, leasing or renting an immovable property. The other type of registration has been laid down under Section 18 of the Act which provides

for the category of documents, registration of which is optional or discretionary and include, wills, instrument for transfer of shares, adoption deeds, etc. Failure to register a document under Section 17 of the Act can attract severe consequences, including declaration of invalidity of the transfer in question; however, no such consequence is attracted in case of Section 18 of the Act. Sections 28 and 31 of the Act provide the sub-registrars and other officers, the authority to register documents under this Act. Registration of a document, provides authenticity to a document and also acts as a conclusive proof in relation to the execution of such a document in the court of law.

### ***Indian Stamp Act, 1899***

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the Union list mentioned in the Seventh Schedule of the Constitution of India, is governed by the provisions of the Indian Stamp Act, 1899 (the “*Act*”), all others instruments are required to be stamped, as per the rates laid down by the State Governments. Stamp duty is required to be paid on such category of transaction documents laid down under the various laws of the states, which denotes that stamp duty was paid before the document became legally binding. The stamp duty has to be paid on such documents or instruments and at such rates which have been specified in the First Schedule of the Act. Instruments as mentioned in the said schedule of the Act, if are not duly stamped are not admissible in the court of law as valid evidence for the transaction contained therein. The Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the relevant authorities and validated by imposing of penalty on the parties. The amount of penalty payable on such instruments may vary from state to state.

## **B. TAX RELATED LAWS**

The tax related laws that are applicable to our Company include the Customs Act, 1962, the Income Tax Act, 1961, the Income Tax Rules, 1962 and GST which includes the Central Goods and Services Tax Act, 2017, various State Goods and Services Tax legislations, and the Integrated Goods and Services Tax Act, 2017.

## **C. FOREIGN INVESTMENT RELATED LAWS AND REGULATIONS**

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 issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”) from time to time. Under the current FDI Policy (effective October 15, 2020) 100% foreign direct investment is permitted in the animal husbandry sector, under the automatic route.

As per the SEBI (Foreign Portfolio Investors) Regulations, 2019 (“**SEBI FPI Regulations**”), investments by Foreign Portfolio Investors (“**FPIs**”) in the capital of an Indian company under the SEBI FPI Regulations are subject to individual holding limits of 10% of the total paid up equity capital on a fully diluted basis of the company per FPI. If the investment exceeds the threshold limit of 10% the investor must divest the excess holding within five days of the breach, and if not accordingly divested, the entire investment in the company by the FPI shall be considered as FDI and the FPI will be prohibited from making further investments in the company under the regulations.

### ***Overseas Direct Investment (“ODI”)***

In terms of the Master Direction No. 15/2015-16 on Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary Abroad issued by the RBI, dated January 1, 2016, an Indian entity can make ODI under the automatic route up to limits prescribed by the RBI, which currently should not exceed 400% of its net worth. ODI can be made by investing in either joint ventures or wholly owned subsidiaries outside India. Any financial commitment exceeding USD one billion (or its equivalent) in a financial year would require prior approval of the RBI.

## **D. Intellectual Property Laws**

### ***Information Technology Act, 2000***

The Information Technology Act, 2000 (the “*IT Act*”) creates a liability on a body corporate which is negligent in implementing and maintaining reasonable security practices and procedures, and thereby causing wrongful loss or wrongful gain to any person, while possessing, dealing with, or handling any sensitive personal data or information in a computer resource owned, controlled or operated by it but affords protection to intermediaries with respect to third party information liability. The IT Act also provides for civil and criminal liability including compensation, fines, and imprisonment for various computer related offences. These include offences relating to unauthorised disclosure of confidential information and committing of fraudulent acts through computers, tampering with source code, unauthorised access, publication or transmission of obscene material etc. The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data.

Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information in the interest of sovereignty, integrity, defence and security of India, among other things. In April 2011, the Department of Information Technology under the Ministry of Communications and Information Technology notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules 2011 under Section 43A of the IT Act and the Information Technology (Intermediaries Guidelines) Rules, 2011 under Section 79(2) of the IT Act.

### ***Indian Patents Act, 1970***

The purpose of the Indian Patents Act, 1970 (the “**Act**”) is to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the terms of the patent. An invention means a new product or process involving an inventive step capable of industrial application. An application for a patent can be made by (a) a person claiming to be the true and first inventor of the invention; (b) a person being the assignee of the person claiming to be the true and first inventor in respect of the right to make such an application; and (c) legal representative of any deceased person who immediately before his death was entitled to make such an application.

### ***Trade Marks Act, 1999***

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

In March 2017, the Trade Marks Rules, 2017 (“**Trade Mark Rules**”) were notified, in supersession of the Trade Marks Rules, 2002. The Trade Marks Rules brought with them some changes in the application process, in terms of an increase in application fees and common formats for multiple kinds of applications. However, the e-filing process has been incentivized by providing lower application fees.

## **A. EMPLOYMENT RELATED LAWS**

### ***The Code on Wages, 2019***

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Central Government has notified certain provisions of this code mainly in relation to the constitution of the advisory board.

### ***The Occupational Safety, Health and Working Conditions Code, 2020***

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

### ***The Industrial Relations Code, 2020***

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

### ***The Code on Social Security, 2020***

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government.

### ***Factories Act, 1948***

The Factories Act, 1948 (the "***Factories Act***") regulates the provisions relating to labour employed in factories. This Act defines a factory as any premises on which ten or more workers are employed or were employed on any day of the previous twelve (12) months, and on which a manufacturing process is being carried on with the aid of power, or a premises on which twenty or more workers are employed or were employed on any day of the previous twelve (12) months and on which a manufacturing process is carried on ordinarily without the use of power. The Factories Act provides for the health, safety, and welfare of all workers and requires that the '*Occupier*' (defined as the person who has ultimate control over the affairs of the factory and in case of a company, any one of the directors) ensures that all the workers are within safe working conditions while they are in the factory, and are not exposed to any health risks and that they receive adequate instruction, training and supervision to ensure the same. The Factories Act also makes provisions relating to the employment of women and young persons (including children and adolescents), annual leave with wages, etc.

The Factories Act requires an Occupier of a factory to obtain approval, license, and registration for running and qualifying as a factory under the Factories Act, by submitting the application along with plans and specifications to the State Government or the Chief Inspector. Unless this permission from the Chief Inspector is obtained, no building can be constructed or taken in use as a factory or a part of an existing factory. The Chief Inspector may, on receipt of the said application and on being satisfied that there is no objection to the grant of license applied for, register the factory and grant the license to the applicant to use as factory such premises as are specified in the application and subject to compliance with such conditions as are specified in the license.

Any contravention of the provisions of the Factories Act or the rules framed thereunder may lead to imprisonment of the manager or the Occupier of the factory for a term up to two (2) years or with a fine of ₹ 100,000 or both, and in case of continuing contravention even after conviction, with a fine of up to ₹ 1,000 per day of contravention. In case of a contravention which results in an accident causing death or serious bodily injury, the fine shall be not less than ₹ 25,000 and ₹ 5,000 respectively.

### ***West Bengal Factories Rules, 1958***

The Factories Rules were notified by State of West Bengal within the framework of Factories Act, 1948 which is a social legislation that has been enacted for occupational safety, health, and welfare of workers at work place. As per the Factories Rules an application for obtaining prior permission for the site on which the factory is to be situated and for the construction or extension of a factory shall be made to the Chief Inspector of Factories which shall grant the license with terms and conditions after being satisfied that there is no objection to the same.

### ***West Bengal Fire Services Act, 1950***

The West Bengal Fire Services Act, 1950 was enacted in the year 1950. The Act requires the owner or occupier of any building of any or all categories to make or carry out such arrangements as may be necessary for fire prevention and fire safely in that area. Further, the Act also provides for the punishment to any person or agency which causes obstruction of fire brigade to draw water for fire-fighting purposes from any reservoir or source located in any premises.

### ***Industries (Development and Regulation) Act, 1951***

The Industries (Development and Regulation) Act, 1951 (the "***Act***") governs the development and regulation of industries in India, and its main objective is to empower the Government to: (i) take necessary steps for the development of industries; (ii) regulate the pattern and direction of industrial development; and (iii) control the activities, performance and results of industrial undertakings in public interest. The Act is applicable to the '*Scheduled Industries*' which have been listed down in the first schedule of the Act and small-scale industrial undertakings and ancillary units are exempted from the provisions of the Act.

The Act regulated the industries by requiring them to obtain industrial licensing by filing an Industrial Entrepreneur Memoranda with the Secretariat of Industrial Assistance, Department of Industrial Policy and Promotion. This Act is administered by the Ministry of Industries and Commerce through its Department of Industrial Policy & Promotion. This department is responsible for the formulation and implementation of promotional and developmental measures

for growth of the industrial sector and also monitors the industrial growth and production, in general, and selected industrial sectors.

In addition to above, we are subject to a wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our labourers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees' (Provident Fund and Miscellaneous Provision) Act, 1952.

#### ***Industrial Employment (Standing Orders) Act, 1946***

In order to strengthen the bargaining powers of the workers this act is enacted, it requires the employers to formally define the working conditions to the employee. As per this act, an employer is required to submit five copies of standing orders required by him for adoption of his industrial establishment. An employer failing to submit the draft standing orders as required by this act shall be liable to pay fine as per section 13 of this act.

#### ***Contract Labour (Regulation and Abolition) Act, 1970, as amended (the "CLRA Act")***

The CLRA Act requires the principal employer of an establishment in which twenty or more workmen are employed or were employed on any day of the preceding twelve months as contract labour, to make an application to the concerned officer for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor who employs or who employed on any day of the preceding twelve months twenty or more workmen, is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The CLRA Act imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA Act.

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

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers. Employees (Provident Fund and Miscellaneous Provisions) Act, 1952, as amended (the "EPF Act") The EPF Act applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the GoI from time to time. It requires all such establishments to be registered with the state provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees' provident fund the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State provident fund commissioner.

#### ***Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 ("the Act")***

The Act was enacted to regulate the employment and conditions of service of building and other construction workers and to provide for their safety, health and welfare measures and for other matters connected therewith or incidental thereto.

#### ***Building and Other Construction Workers' Welfare Cess Act, 1996 read with Central Rules, 1998 ("BOCWWC Act")***

BOCWWC Act provides for the levy and collection of a cess on the cost of construction incurred by employers with a view to augmenting the resources of the Building and Other Construction Workers' Welfare Boards constituted under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996.

#### ***Provisions Regarding Safety at Work Site in Contracts in Indian Railways***

Indian Railways Handbook "Safety Precautions at Worksite Adjacent to Track" published in 2015 enumerates the provisions regarding safety at work site in Contracts. The provisions contain the safety conditions to be inserted in the contracts like safe working by way of suitable barricading and signboards to forewarn the road vehicle drivers, its type, level of contractor's supervisors who will necessarily be present if work is being done in vicinity of track etc. to be specifically provided as an item in tender schedule and paid for as the work progress.

#### ***The Public Liability Insurance Act, 1991 ("PLI Act")***

The “PLI Act” provides for public liability insurance for the purpose of providing immediate relief to persons affected by accident occurring while handling any hazardous substance and for matters connected therewith or incidental thereto. Every owner (in the case of a company, any of its directors, managers, secretaries or other officers who is directly in charge of and is responsible to the company for the conduct of the business of the company) is obligated to take out, before he starts handling any hazardous substance, one or more insurance policies providing for contracts of insurance whereby he is insured against liability to give relief under the PLI Act. The said insurance policy shall be for a minimum amount of the paid-up capital of the Company and not exceeding fifty crore rupees

***E. General Corporate and Other Allied 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 Instruments Act, 1881, Sale of Goods Act, 1930, Consumer Protection Act, 1986, Anti Trust law such as Competition Act, 2002 and corporate Acts namely Companies Act, 1956 and Companies Act, 2013 are also applicable to the Company.

## **HISTORY AND CERTAIN CORPORATE MATTERS**

Our Company was incorporated on December 21, 2021 as 'Cosmic CRF Limited', a public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the Deputy Registrar of Companies, Central Registration Centre. The corporate identification number of our Company is U27100WB2021PLC250447. Subsequently, our Company executed a business transfer agreement with Cosmic Ferro Alloys Limited on January 19, 2022, with a closing date of March 31, 2022, which was extended *vide* an Addendum to the Business Transfer Agreement dated August 26, 2022 with a closing date of September 15, 2022 in order to purchase the CRF unit located at Ajabnagar, Molla Simla, Singur, - 712 223, West Bengal, India including all its assets, employees, liens and liabilities, on a going concern basis. For further details, please see – “Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation” on page 125.

### **Change in registered office of our Company**

The Registered Office of our Company is located at 19, Monohar Pukur Road, Kolkata – 700 029, West Bengal, India. There has been no change in the Registered Office of our Company, since incorporation.

### **Main Objects of our Company**

The main objects of our Company are as follows:

- To manufacture and trade railway components, cold rolled formed sections, forged items, non-forged items, steel plates and coils, tubes, and any other allied components and products for the railways, wagons locomotive, bogies, automobiles, passenger coach, metro rail and defense equipment.*
- To manufacture, produce, process formulate, buy, sell, Import, export, trade or otherwise deal in ferrous and non-ferrous metals, and non-ferrous powders including alloy steel ferro alloys, Ferrochrome, ferro-ferre-manganese, silicon carbide calcium carbide ferro-silicon magnesium, titanium. bntantonlie powder, tungsten, vanadium and lime stone powder strontium, terra-silicon zirconium, ferro-aluminum refraction, silica manganese chemicals, minerals, pig iron, wrought iron, steel, converters, rolled steel, stainless steel, makers, miners smelters, engineer iron and sleet foundries, sponge iron, steel-castings, chrome alloys, silicon alloys, manganese alloys, aluminum thermic alloys.*
- To produce, manufacture, process refine, import, export, purchase, sell and lo mine from earth generally to deal in and to act as agents, stockists, distributors, Retailers, wholesalers. Indenture, packers, 'movers, agents, sub-agents, merchants, consignors, jobbers, brokers, concessionaries and suppliers of iron sleet, refractors, Ferro-silicon, ferro-manganese. ferro-chrome. Calcium carbide. Ferro vanadium. Ferric oxide, other Chemicals and preparations connected with the aforesaid products and in connection therewith to take on lease or acquire erect. construct, establish work operate arid main- lain factories. quarries, mines, workshops, processing plants and other works.*

The main objects as contained in the MoA enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of this Issue.

### **Amendments to the Memorandum of Association**

The following amendments have been made to the Memorandum of Association of our Company in the last ten (10) years:

<b>Date of shareholder's resolution</b>	<b>Nature of amendments</b>
December 31, 2021	<i>Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company from ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10 each to ₹ 10,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10 each and 50,00,000 Redeemable Preference Shares of ₹ 10 each.</i>
July 22, 2022	<i>Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company from ₹ 10,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10 each and 50,00,000 Redeemable Preference Shares of ₹ 10 each to ₹ 20,00,00,000 divided into 51,00,000 Equity Shares of ₹ 10 each and 1,49,00,000 Redeemable Preference Shares of ₹ 10 each</i>
March 20, 2023	<i>Clause V of the MoA was amended to reclassify the existing authorised capital from ₹20,00,00,000 divided into 51,00,000 Equity Shares of ₹ 10 each and 1,49,00,000 Redeemable Cumulative Preference Shares of ₹ 10 each to ₹20,00,00,000 divided into 150,00,000 Equity Shares of ₹ 10 each and 50,00,000 Preference Shares of ₹ 10 each</i>

## Corporate profile of our Company

For details regarding the description of our Company's activities, services, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, launch of key products or services, entry in new geographies or exit from existing markets, major suppliers, distributors and customers, segment, capacity/facility creation, capacity built-up, marketing and competition, please refer to the chapters titled "Our Business", "Our Management" and "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 106, 127 and 182 respectively, of this Red Herring Prospectus.

## Major Events and Milestones

The table below sets forth some of the key events, milestones in our history since its incorporation.

Year	Events
2021	Incorporation of our Company.
2022	Our Company executed a business transfer agreement with Cosmic Ferro Alloys Limited on January 19, 2022 in order to purchase its CRF unit located at Ajabnagar, Molla Simla, Singur, - 712 223, West Bengal, India including all its assets, employees, liens and liabilities, on a going concern basis

## Awards and Accreditations

As on date of this Red Herring Prospectus, our Company has not received any awards.

## Time and Cost Overrun

Our Company has not experienced any significant time and cost overrun in setting up projects.

## Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks

As of date of this Red Herring Prospectus, there are no defaults or rescheduling of borrowings from financial institutions or banks or conversion of loans into equity in relation to our Company.

## Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation

Except as stated below, our Company has not made any business acquisition, merger and amalgamation or disinvestment of business in the last ten years:

***Business Transfer Agreement dated January 19, 2022 executed between Cosmic Ferro Alloys Limited ("Seller Company") and our Company read with an addendum dated August 26, 2022 ("Addendum 1") and the addendum dated September 9, 2022 ("Addendum 2") to the business transfer agreement dated January 19, 2022 ("Business Transfer Agreement")***

The Seller Company and our Company entered into the Business Transfer Agreement in order to transfer the CRF unit owned by the Seller Company located at Ajabnagar, Molla Simla, Singur, - 712 223, West Bengal, India including all its assets, employees, liens and liabilities of the seller company ("**CRF Business**"), on a going concern to our Company at a closing date on March 31, 2022 or such time as extended as per the terms of the Business Transfer Agreement ("**Closing Date**"). The CRF Business included, its fixed assets, all amounts due and payable to the Financial Institution *i.e.*, Phoenix ARC Limited subject to a maximum of ₹ 3,400 lakhs; current assets and liabilities, *etc.* In terms of the Business Transfer Agreement, the parties agreed that the purchase price for the transfer of the CRF Business shall be ₹ 4,900 lakhs, which was payable in the manner provided in the Business Transfer Agreement. The Closing Date was extended to September 15, 2022 pursuant to Addendum 1. Further, pursuant to Addendum 2, the value of the total consideration was reduced from ₹ 4,900 lakhs to ₹ 3,900 lakhs due to the difference in areas of actual land in possession in the factory and estimated cost of repairs, renovation and reconditioning of shed and building and plant and machinery *etc.* to be done by our Company.

## Revaluation of assets

Our Company has neither revalued its assets nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves in the last ten years.

**Holding Company**

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

**Subsidiaries of our Company**

As on the date of this Red Herring Prospectus, our Company does not have any subsidiaries.

**Associate or Joint ventures of our Company**

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

**Strategic and Financial Partners**

As on date of this Red Herring Prospectus our Company does not have any strategic and financial partners.

**Shareholders and Other Agreements**

There are no shareholders and other material agreements, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us.

**Agreements with key managerial personnel or a Director or Promoter or any other employee of the Company**

There are no agreements entered into except in the ordinary course of business by a Key Managerial Personnel or Director or Promoter or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

**Guarantees given by Promoter offering its shares in the Offer for Sale**

This is a fresh issue of Equity Shares and our Promoter are not offering their shares in this Issue.

**Material Agreements**

Our Company has not entered into any material agreements with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business of our Company.

## OUR MANAGEMENT

### Our Board of Directors

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than 3 and not more than 15. As on date of this Red Herring Prospectus, we have five (05) Directors on our Board, which includes one (01) Managing Director, one (01) Whole-Director who is also the woman director of our Company, one (01) Non-Executive Director and two (02) Independent Directors.

Set forth below, are details regarding our Board as on the date of this Red Herring Prospectus:

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p><b>Aditya Vikram Birla</b>  <b>DIN:</b> 06613927  <b>Date of Birth:</b> August 6, 1989  <b>Designation:</b> Managing Director  <b>Address:</b> 11A, Dover Lane, Sarat Bose Road, Kolkata – 700 029, West Bengal, India.  <b>Occupation:</b> Business  <b>Term:</b> For a period of three (3) years with effect from December 1, 2022 and liable to retire by rotation.  <b>Period of Directorship:</b> Director since July 14, 2022  <b>Nationality:</b> Indian</p>	33	<ol style="list-style-type: none"> <li>1. Asansol Steel Castings Private Limited;</li> <li>2. AVB Entech Private Limited;</li> <li>3. Parasparya Commercial Private Limited;</li> <li>4. Apollo Vinimay Private Limited;</li> <li>5. Topsell Vinimay Private Limited;</li> <li>6. Comet Technocom Private Limited;</li> <li>7. Adarsh Technocom Private Limited;</li> <li>8. Pragati Realtors Private Limited;</li> <li>9. Cosmic Steels Private Limited;</li> <li>10. Comet Tradecom Private Limited;</li> <li>and</li> <li>11. Prilika Enterprises Private Limited.</li> </ol>
<p><b>Purvi Birla</b>  <b>DIN:</b> 02488423  <b>Date of Birth:</b> September 12, 1988  <b>Designation:</b> Whole-time Director  <b>Address:</b> 11A, Dover Lane, Sarat Bose Road, Kolkata – 700 029, West Bengal, India.  <b>Occupation:</b> Business  <b>Term:</b> For a period of three (03) years with effect from December 23, 2022 and liable to retire by rotation.  <b>Period of Directorship:</b> Director since December 23, 2022  <b>Nationality:</b> Indian</p>	34	<ol style="list-style-type: none"> <li>1. Asansol Steel Castings Private Limited;</li> <li>2. Comet Technocom Private Limited; and</li> <li>3. Vidula Properties Private Limited.</li> </ol>
<p><b>Pawan Kumar Tibrewalla</b>  <b>DIN:</b> 01056704  <b>Date of Birth:</b> November 23, 1960  <b>Designation:</b> Non-Executive Director  <b>Address:</b> 8/10 Alipore Park Road, Alipore – 700 027, Kolkata, West Bengal, India.  <b>Occupation:</b> Business  <b>Term:</b> Liable to retire by rotation  <b>Period of Directorship:</b> Director since incorporation.</p>	62	<ol style="list-style-type: none"> <li>1. Amritash Commercial Private Limited; and</li> <li>2. Sreerampur Ispat Private Limited.</li> </ol>

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<b>Nationality:</b> Indian		
<b>Binod Kumar Khaitan</b> <b>DIN:</b> 01713323 <b>Date of Birth:</b> July 25, 1959 <b>Designation:</b> Independent Director <b>Address:</b> Vivek Vihar, 493/C/A, G T Road, South, PH-5, BL-18, Flat 2A, Hora Corporation, Sibpur- – 711 102, Howrah, West Bengal, In. <b>Occupation:</b> Professional <b>Term:</b> For a period of five (05) years with effect from April 21, 2023 <b>Period of Directorship:</b> Director since April 21, 2023 <b>Nationality:</b> Indian	63	Vachi Commodities & Derivatives Private Limited
<b>Ashok Barnwal</b> <b>DIN:</b> 01580287 <b>Date of Birth:</b> March 12, 1965 <b>Designation:</b> Independent Director <b>Address:</b> 264 N.S.C. Bose Road, Ashoka Height, Block A – 700 047, Kolkata, West Bengal. <b>Occupation:</b> Professional <b>Term:</b> For a period of five (05) years with effect from April 21, 2023. <b>Period of Directorship:</b> Director since April 21, 2023 <b>Nationality:</b> Indian	58	Nil

### Brief Biographies of our Directors

**Aditya Vikram Birla**, aged 33 years, is the Promoter and Managing Director of our Company. He holds a bachelor's degree in business administration from Jadavpur University, Kolkata and a post-graduate diploma in business management from Cardiff University, United Kingdom. He has an experience of more than a decade in manufacturing of cold rolled components, spares and components for railways and wagon industry and in the areas of business development, management, finance and administration. He has been associated with our Company since 2022 and oversees the manufacturing division of our Company and also supervises the entire operations of our Company.

**Purvi Birla**, aged 34 years, is the Whole-time Director of our Company. She holds a bachelor's degree in business administration from Jadavpur University, Kolkata. She has an experience of more than five years in the area of business development and administration. She oversees the business development of the Company.

**Pawan Kumar Tibrewalla**, aged 62 years, is the Non-Executive Director of our Company. He holds a bachelor's degree in commerce from St. Xavier's College, Kolkata and is a fellow member of the Institute of Chartered Accountants of India. He has experience of more than three decades in the field of taxation, accounting, audit, finance and banking. He has worked with various private and public section organisations. He has been associated with our Company since incorporation.

**Binod Kumar Khaitan**, aged 63 years, is the Independent Director of our Company. He holds a bachelor's degree in commerce from University of Calcutta. He is also a fellow member of the Institute of Chartered Accountants of India. He has an experience of more than three decades in the field of accounting and finance. He has been associated with M/s. S Jaykishan & Co., Chartered Accountants in the capacity of partner since 2006 where he caters to mixed and extensive

client list comprising of several large and mid-sized companies, firms, banks, and other organizations in private/public sector. He has been associated with our Company since 2023.

**Ashok Barnwal**, aged 58 years, is the Independent Director of our Company. He holds a bachelor's degree in commerce from Bhagalpur University. He is also a fellow member of the Institute of Chartered Accountants of India. He has an experience in the field of accounting and finance.

#### **As on the date of the Red Herring Prospectus**

- A. None of the above-mentioned Directors are on the RBI List of wilful defaulters or Fraudulent Borrowers.
- B. Neither Promoter nor persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- C. None of the Promoter, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) up to the date of filling of this Red Herring Prospectus.
- E. None of Promoter or Directors of our Company are a fugitive economic offender.
- F. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
- G. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.

#### **Relationship between our Directors**

<b>Name of Director</b>	<b>Designation</b>	<b>Relation</b>
Aditya Vikram Birla	Managing Director	Husband of Purvi Birla
Purvi Birla	Whole-time Director	Wife of Aditya Vikram Birla and daughter of Pawan Kumar Tibrewalla
Pawan Kumar Tibrewalla	Non-Executive Director	Father of Purvi Birla and father-in-law of Aditya Vikram Birla

#### **Arrangements and Understanding with Major Shareholders**

None of our Key Managerial Personnel, Senior Management or Directors have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others pursuant to which of the directors was selected as a director or member of senior management.

#### **Payment or Benefit to officers of our Company**

Except as stated otherwise in this Red Herring Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

#### **Service Contracts**

Other than the statutory benefits that the KMPs are entitled to, upon their retirement, Directors and the Key Managerial Personnel of our Company have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

#### **Borrowing Powers of our Board**

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Our Company has, pursuant to an Extra-ordinary General Meeting held on August 20, 2022, resolved that in accordance with the provisions of the Companies Act, 2013, our Board is authorised to borrow, from time to time, such sum or sums of moneys as the Board which together with the moneys already borrowed by our Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed at any time the aggregate of the paid – up capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/moneys borrowed by the Board of Directors and outstanding at one time shall not exceed ₹ 20,000 lakhs.

### Terms of appointment and remuneration of our Managing Director

Pursuant to a resolution passed by the Board of Directors at the meeting held on November 8, 2022 and approved by the Shareholders of our Company at the AGM held on November 30, 2022, Aditya Vikram Birla was appointed as the Managing Director of our Company for a period of five (05) years with effect from December 1, 2022 along with the terms of remuneration. Further, his terms of appointment were modified pursuant to the resolutions of the Board of Directors dated February 25, 2023 and resolution passed by the Shareholders in the EGM held on March 25, 2023 wherein (i) his term of appointment was reduced from five years to three years; and (ii) his terms of appointment were modified, in accordance with Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

<b>Basic Salary</b>	Rs. 7,00,000 per month in a pay scale of Rs. 7,00,000 – Rs. 25,000 – Rs. 9,00,000 with effect from April 1, 2023
<b>Perquisites</b>	<p><i>Category A:</i> Medical Reimbursement for self and family as per the rules of our Company. Leave Travel Reimbursement of domestic &amp; foreign along with family as per the rules of our Company.</p> <p><i>Category B:</i> Contribution to provident fund, superannuation fund, annuity fund or gratuity as per the rules of our Company. Encashment of leave as per the rules of our Company.</p> <p><i>Category C:</i> Car, telephone at residence and mobile phone for use on Company's business.</p>
<b>Minimum Remuneration</b>	In the event of loss or inadequacy of profits in any financial year, Aditya Vikram Birla shall be entitled to receive a total remuneration including perquisites, etc., not exceeding the ceiling limits under Section II of Schedule V of the Companies Act, 2013 subject to the minimum remuneration as prescribed including any statutory modification or re-enactment thereof from time to time as prescribed by the Company. Further, the remuneration payable to our Managing Director exceeds the limit prescribed under Section 197, 198 and Schedule V of the Companies Act, 2013, therefore the remuneration payable to him has been approved by the Shareholders in their EGM held on March 20, 2023.

### Terms of appointment and remuneration of our Whole-time Director

Pursuant to a resolution passed by the Board of Directors at the meeting held on December 2, 2022 and approved by the Shareholders of our Company at the EGM held on December 23, 2022, Purvi Birla was appointed as the Whole-time Director of our Company for a period of five (05) years with effect from December 23, 2022 along with the terms of remuneration. Further, her terms of appointment were modified pursuant to the resolutions of the Board of Directors dated February 25, 2023 and resolution passed by the Shareholders in the EGM held on March 25, 2023 wherein (i) her term of appointment was reduced from five years to three years; and (ii) her terms of appointment were modified, in accordance with Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

<b>Basic Salary</b>	Rs. 1,25,000 per month per month in a pay scale of Rs. 1,25,000 - Rs. 25,000 - Rs. 3,00,000
<b>Perquisites</b>	<p><i>Category A:</i> Medical Reimbursement for self and family as per the rules of our Company. Leave Travel Reimbursement of domestic &amp; foreign along with family as per the rules of our Company.</p> <p><i>Category B:</i> Contribution to provident fund, superannuation fund, annuity fund or gratuity as per the rules of our Company. Encashment of leave as per the rules of our Company.</p> <p><i>Category C:</i> Car, telephone at residence and mobile phone for use on Company's business.</p>
<b>Minimum Remuneration</b>	In the event of loss or inadequacy of profits in any financial year, Purvi Birla shall be entitled to receive a total remuneration including perquisites, etc., not exceeding the ceiling limits under Section II of Schedule V of the Companies Act, 2013 subject to the minimum remuneration as prescribed including any statutory modification or re-enactment thereof from time to time as prescribed by the Company. Further, the remuneration payable to our Whole-time Director exceeds the limit prescribed under Section 197, 198 and Schedule V of the Companies Act, 2013, therefore the remuneration payable to her has been approved by the Shareholders in their EGM held on March 20, 2023.

## Remuneration details of our Directors

### (i) Remuneration of our Executive Directors

The aggregate value of the remuneration paid to the Executive Directors in Fiscal 2023 is as follows:

S. No.	Name of the Director	Remuneration (₹ in lacs)
1.	Aditya Vikram Birla	28.00
2.	Purvi Birla	3.50
3.	Ram Sankar Bagchi <sup>^</sup>	Nil

<sup>^</sup> Ram Sankar Bagchi has resigned from our Company with effect from February 25, 2023.

Our Executive Directors were not paid sitting fee in Fiscal 2023 for attending meetings of the Board of Directors and its committees.

### (ii) Sitting fee details of our Independent Directors

Our Independent Directors were not paid sitting fee in Fiscal 2023 for attending meetings of the Board of Directors and its committees. Our Board of Directors in their meeting held on February 25, 2023 have fixed ₹ 10,000/- as sitting fee for Non-Executive Directors for attending meetings of the Board of Directors and its committees.

## Payment or benefit to Directors of our Company

Except as disclosed in this Red Herring Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the Executive Directors except the normal remuneration for services rendered as a Director of our Company. Additionally, there is no contingent or deferred compensation payable to any of our Directors.

## Remuneration paid to our Directors by our Subsidiary

As on date of this Red Herring Prospectus, our Company does not have a subsidiary.

## Loans to Directors

There are no loans that have been availed by the Directors from our Company that are outstanding as on the date of this Red Herring Prospectus.

## Shareholding of Directors in our Company

Except as stated below, none of our Directors holds any Equity Shares of our Company as on the date of filing of this Red Herring Prospectus:

Sr. No.	Name of Director	Number of Equity Shares	% of the pre-Offer Equity Share Capital
1)	Aditya Vikram Birla	32,63,600	63.99%
2)	Purvi Birla	7,50,000	14.71%

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

## Shareholding of Directors in our Subsidiaries

As on date of this Red Herring Prospectus, our Company does not have a subsidiary.

## Interest of our Directors

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our see “Terms of appointment and remuneration of our Executive Directors” above.

Aditya Vikram Birla is the Promoter of our Company and may be deemed to be interested in the promotion of our Company to the extent he has promoted our Company. Except as stated above, our Directors have no interest in the promotion of our Company other than in the ordinary course of business. Our Directors may also be regarded as interested to the extent of Equity Shares held by them in our Company, if any, details of which have been disclosed above under the heading “Shareholding of Directors in our Company”. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or kartas or coparceners or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to this Issue. Except as disclosed in “Financial

*Information*” and “*Our Promoter and Promoter Group*” beginning on Page Nos. 145 and 139, respectively of this Red Herring Prospectus, our Directors are not interested in any other company, entity or firm.

Our Directors, namely Pawan Kumar Tibrewalla, Aditya Vikram Birla, and Purvi Birla have extended personal guarantees to secure the loan availed by our Company from Kotak Mahindra Bank Limited. For further details, please refer to “*Financial Indebtedness*” on page 179 of this Red Herring Prospectus.

Except as stated in “*Restated Financial Information - Annexure 31: Statement of Related Party Transactions*” from the chapter titled “*Restated Financial Information*” on Page No. 172 of this Red Herring Prospectus, our Directors do not have any other interest in the business of our Company.

#### **Interest as to property**

Our Directors do not have any interest in any property acquired or proposed to be acquired by our Company or of our Company.

#### **Bonus or Profit Sharing Plan for our Directors**

None of our Directors are a party to any bonus or profit sharing plan.

#### **Changes in our Board during the Last Three Years**

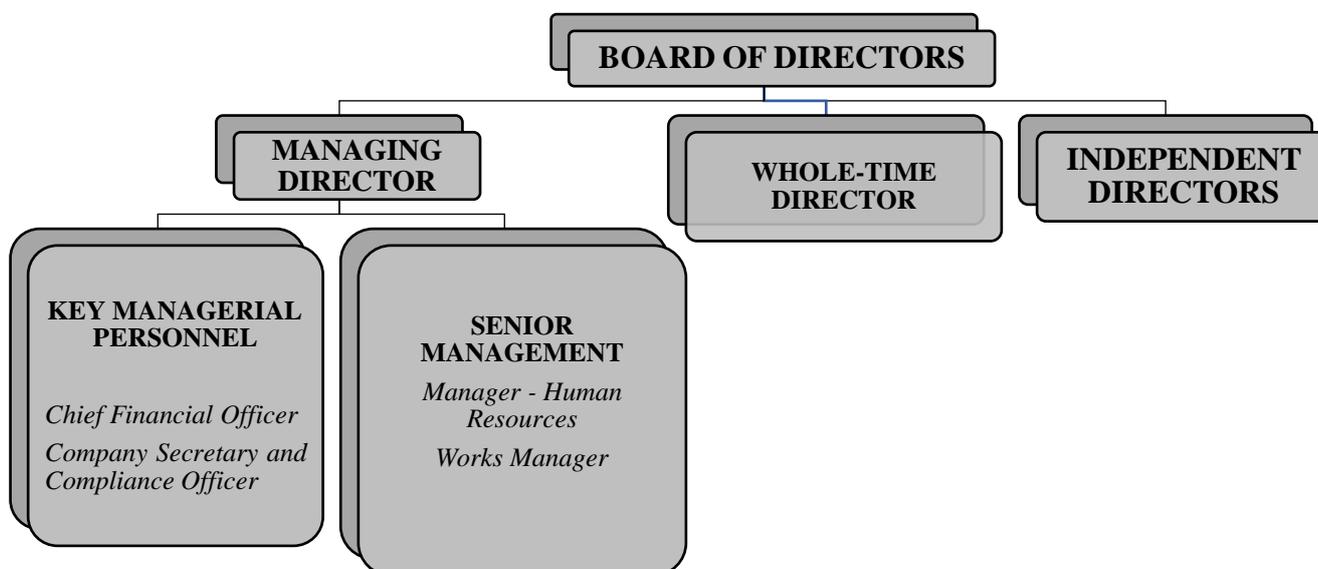
Except as disclosed below, there have been no changes in our Board during the last three years.

<b>Name of Director</b>	<b>Date of Appointment</b>	<b>Date of Cessation</b>	<b>Reasons for Change/ Appointment</b>
Ram Sankar Bagchi	March 15, 2022	-	Appointment as Additional Director*
Binod Kumar Khaitan	March 15, 2022	-	Appointment as Additional Independent Director*
Aditya Vikram Birla	July 14, 2022	-	Appointment as Additional Director
Disha Tibrewalla	-	July 14, 2022	Cessation as an Executive Director
Aditya Vikram Birla	December 01, 2022	-	Change in designation to Managing Director
Milan Ghosh	-	December 2, 2022	Cessation as a Non-Executive Director
Purvi Birla	December 23, 2022	-	Appointment as Whole-time Director
Ram Sankar Bagchi	-	February 25, 2023	Resigned as Executive Director
Binod Kumar Khaitan	-	April 17, 2023	Resigned as Director
Binod Kumar Khaitan	April 21, 2023	-	Appointed as Independent Director
Ashok Barnwal	April 21, 2023	-	Appointed as Independent Director

\*The appointment of the Directors was regularised in the AGM held on November 30, 2022

## Management Organization Structure

Set forth is the management organization structure of our Company:



## Corporate Governance

As our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, as on date of this Red Herring Prospectus, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015 are not applicable to our Company. In additions to the applicable provisions of the Companies Act, 2013 will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchange. However, our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

### Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- Audit Committee;
- Stakeholders' Relationship Committee;
- Nomination and Remuneration Committee; and
- Corporate Social Responsibility Committee.

Details of each of these committees are as follows:

### AUDIT COMMITTEE

The Audit Committee was constituted *vide* Board resolution dated April 21, 2023 pursuant to Section 177 of the Companies Act, 2013. As on the date of this Red Herring Prospectus, the Audit Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Binod Kumar Khaitan	Chairperson	Independent Director

Name of the Director	Designation in the Committee	Nature of Directorship
Aditya Vikram Birla	Member	Managing Director
Ashok Barnwal	Member	Independent Director

Our Company Secretary and Compliance officer acts as the secretary of the Committee.

**The scope of Audit Committee shall include but shall not be restricted to the following:**

1. Oversight the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
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/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence and performance and effectiveness of audit process.
8. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
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 on any significant findings and follow up thereon.
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 nonpayment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
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 it mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee enjoys following powers:

- 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 the occasions, it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit committee.

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations.
2. Management letters/letters of internal control weaknesses issued by the statutory auditors.
3. Internal audit reports relating to internal control weaknesses.
4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
5. statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
6. The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The Audit Committee shall meet at least two times in a year and not more than one hundred and twenty days 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 minimum of two independent members present.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

#### **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on April 21, 2023. As on the date of this Red Herring Prospectus the Nomination and Remuneration Committee comprises of:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Binod Kumar Khaitan	Chairperson	Independent Director
Pawan Kumar Tibrewalla	Member	Non-Executive Director
Ashok Barnwal	Member	Independent Director

Our Company Secretary and Compliance officer acts as the secretary of the Committee.

The role of the Nomination and Remuneration Committee includes, but not restricted to, the following:

1. Formulation of the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;

- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c. consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
4. Devising a policy on diversity of Board of Directors.
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria, laid down, and recommend to the Board of Directors their appointment and removal.
6. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
7. recommend to the board, all remuneration, in whatever form, payable to senior management.
8. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

The Meetings of the Committee shall be held at such regular intervals as may be required. The quorum will be either two members or one third of the members of the Nomination and Remuneration Committee whichever is greater, including at-least one independent director.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee

#### **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Stakeholders' Relationship Committee has been formed by the Board of Directors, at the meeting held on April 21, 2023. As on the date of this Prospectus the Stakeholders' Relationship Committee comprises of:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Pawan Kumar Tibrewalla	Chairperson	Non-Executive Director
Aditya Vikram Birla	Member	Managing Director
Binod Kumar Khaitan	Member	Independent Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

This Committee supervises all grievances of Shareholders and Investors and its terms of reference include the following:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The Stakeholders' Relationship Committee is required to meet at-least once in a year.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

#### **Corporate Social Responsibility Committee**

Our Corporate Social Responsibility Committee was constituted on April 21, 2023. The Corporate Social Responsibility Committee comprises of the following members:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Aditya Vikram Birla	Chairperson	Managing Director
Purvi Birla	Member	Whole Time Director
Binod Kumar Khaitan	Member	Independent Director

The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act 2013. The Company Secretary shall act as the secretary of the Corporate Social Responsibility Committee.

The terms of reference of the Corporate Social Responsibility Committee include the following:

1. To formulate and recommend to the Board, a CSR policy which will indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
3. To monitor the CSR policy of the Company from time to time;
4. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The quorum for the CSR Committee Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.

### **Compliance with SME Listing Regulations**

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of BSE.

### **Our Key Managerial Personnel**

In addition to our Managing Director and Whole Time Director, whose details have been provided under paragraph above titled '*Brief Profile of our Directors*', set forth below are the details of our Key Managerial Personnel as on the date of filing of this Red Herring Prospectus:

**Ram Pada Mandal**, aged 57 years, is the Chief Financial Officer of our Company. He holds a bachelor's and master's degree in commerce from Utkal University, Odisha. He is also a fellow member of the Institute of Cost Accountants of India. He has an experience of about two decades in the field of accounting and finance. He was previously associated with Cosmic Ferro Alloys Limited in the capacity of general manager -finance, Nezone Tubes Limited in the capacity of deputy general manager – finance & accounts, and Skipper Limited in the capacity of vice president – finance. He has been associated with our Company since April 1, 2022 in the capacity of General Manager – Finance and was promoted as the Chief Financial Officer of our Company with effect from January 2, 2023 and has received a remuneration of ₹ 3.00 lakhs in the Financial Year 2023. He will be overseeing the finance and accounts related matters of our Company.

**Anita Kumari Gupta**, aged 30 years, is the Company Secretary and Compliance Officer of our Company. She holds a bachelor's degree in commerce from University of Calcutta. She is a fellow member of the Institute of Company Secretaries of India. She has an experience of about three years in the field of secretarial and compliance. She was previously associated with Raw Jute Trading and Industries Limited, Educo Ventures Private Limited and Universe Heights India Private Limited each in the capacity of company secretary and compliance officer. She has been associated with our Company since February 1, 2023 and has received a remuneration of ₹ 1.06 lakhs in the Financial Year 2023. She will be overseeing the compliance and secretarial related matters of our Company.

All our Key Managerial Personnel are permanent employees of our Company.

### **Our Senior Management**

In addition to our Chief Financial Officer and Company Secretary and Compliance Officer, whose details have been provided under paragraph above titled '*Our Key Managerial Personnel*', set forth below are the details of our Senior Management as on the date of filing of this Red Herring Prospectus:

**Priyanka Singh**, aged 31 years, is the Manager - Human Resources of our Company. She has passed the bachelor's degree (commerce) examination organised by the University of Calcutta. She has completed the diploma in practical HR training from Institute for Best Employability Skill Training. She has an experience of about four years in the field of human resource management. She was previously associated with Cosmic Ferro Alloys Limited and Metravi Instruments Private Limited each in the capacity of a front desk executive and human resource recruiter and admin. She has been associated with our Company since February 1, 2023 and has received a remuneration of ₹ 0.36 lakhs in the Financial Year 2023. She is heading the human resource department of our Company.

**Soumya Jyoti Sarkar**, aged 38 years, is the Works Manager of our Company. He has completed the diploma in mechanical engineering from West Bengal State Council of Technical Education. He has experience of more than a decade in cold rolled components, spares and components industry and was previously associated with Cosmic Ferro Alloys Limited in the capacity of works manager. He has been associated with our Company since September 1, 2022 and has received a remuneration of ₹ 5.10 lakhs in the Financial Year 2023. He is heading the production division of our Company.

All our Senior Management are permanent employees of our Company.

### **Relationship of Key Managerial Personnel and Senior Management with our Directors, Promoter and / or other Key Managerial Personnel and Senior Management**

Except as disclosed under the heading “*Relationship between our Directors*” herein above, none of the key managerial personnel and Senior Management are related to each other or to our Promoter or to any of our Directors.

### **Shareholding of the Key Managerial Personnel and Senior Management**

Following are the details of Equity Shares of our Company held by our Directors, Key Management Personnel and Senior Management:

<b>Sr. No.</b>	<b>Name of Director/ KMP/ Senior Management</b>	<b>Number of Equity Shares</b>	<b>% of the pre-Issue Equity Share Capital</b>
1)	Aditya Vikram Birla	32,63,600	63.99
2)	Purvi Birla	7,50,000	14.71
3)	Ram Pada Mandal	100	Negligible
4)	Anita Kumari Gupta	100	Negligible
5)	Soumya Jyoti Sarkar	100	Negligible

### **Bonus or Profit Sharing Plan for our Key Managerial Personnel and Senior Management**

None of our Key Managerial Personnel and Senior Management is a party to any bonus or profit sharing plan.

### **Payment or benefit to Key Managerial Personnel and Senior Management of our Company**

Except as disclosed in this Red Herring Prospectus, no amount or benefit has been paid or given within two preceding years or is intended to be paid or given to any of the Key Managerial Personnel and Senior Management except the normal remuneration for services rendered by them. Additionally, there is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management.

### **Interest of Key Managerial Personnel and Senior Management**

Except as disclosed in this Red Herring Prospectus, none of our Key Managerial Personnel and Senior Management have any interest in our Company other than to the extent of the remuneration, equity shares held by them or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Further, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel and Senior Management have been appointed.

### **Changes in Key Managerial Personnel and Senior Management in the Last Three Years**

In addition to the changes specified under “- *Changes in our Board during the Last Three Years*”, set forth below, are the changes in our Key Managerial Personnel and Senior Management in the last three years immediately preceding the date of filing of this Red Herring Prospectus:

<b>Name</b>	<b>Designation</b>	<b>Date of change</b>	<b>Reason</b>
Anita Kumari Gupta	Company Secretary and Compliance Officer	February 1, 2023	Appointment
Dipika Sahu	Company Secretary and Compliance Officer	January 31, 2023	Resignation
R P Mandal	CFO	January 2, 2023	Appointment
Dipika Sahu	Company Secretary and Compliance Officer	October 7, 2022	Appointment

The attrition of the Key Management Personnel and Senior Management is as per the industry standards.

### **Employees’ Stock Option Plan**

As on date of this Red Herring Prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.

### **Loans taken by Directors / Key Management Personnel and Senior Management**

Our Company has not granted any loans to the Directors and/or Key Management Personnel and Senior Management as on the date of this Red Herring Prospectus.

## **OUR PROMOTER AND PROMOTER GROUP**

As on the date of this Red Herring Prospectus, our Promoter holds, 32,63,600 Equity Shares, constituting 63.99% of our pre – Issue issued, subscribed and paid-up equity share capital of our Company. For details of the build-up of our Promoter’s shareholding in our Company, please refer chapter titled “*Capital Structure*” beginning on Page No. 63 of this Red Herring Prospectus.

### **Details of our Promoter**



#### **ADITYA VIKRAM BIRLA**

Aditya Vikram Birla, aged 33 years, is the Promoter and Managing Director of our Company.

For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, see the chapter titled “*Our Management*” beginning on Page No. 127 of this Red Herring Prospectus.

**Date of Birth:** August 6, 1989

**Permanent account number:** AORPB6156M

**Driving license number:** WB-0120100773045

**Address:** 11A, Dover Lane, Sarat Bose Road, Kolkata – 700 029, West Bengal, India

### **Other Ventures of our Promoter**

The ventures in which our Promoter is involved in are as follows:

#### **Aditya Vikram Birla**

<b>Name of the Venture</b>	<b>Nature of Interest</b>
Aditya Vikram Birla HUF	Karta
Paraspyara Commercial Private Limited	Shareholder and Director
Comet Technocom Private Limited	Shareholder and Director
Comet Tradecom Private Limited	Shareholder and Director
Prilika Enterprises Private Limited	Shareholder and Director
Asansol Steel Castings Private Limited	Shareholder and Director
AVB Entech Private Limited	Shareholder and Director
Apollo Vinimay Private Limited	Director
Adarsh Technocom Private Limited	Director
Pragati Realtors Private Limited	Director
Cosmic Steel Private Limited	Director
A&J Main & Co. (Engineers) LLP	Designated Partner (Nominee)

Our Company confirms that the permanent account number, bank account number and passport number, Aadhaar card number and driving license number of our Promoter have been submitted to the Stock Exchange at the time of filing of the Draft Red Herring Prospectus.

#### **Change in Control of our Company**

There is no change in the control over the Company since incorporation.

#### **Experience of our Promoter in the business of our Company**

For details in relation to experience of our Promoter in the business of our Company, please refer to the chapter titled “*Our Management*” beginning on Page No. 127 of this Red Herring Prospectus.

#### **Interest of our Promoter**

##### *Interest in promotion of our Company*

Our Promoter is interested in our Company to the extent that he has promoted our Company and to the extent of his shareholding in our Company and the dividends payable, if any, and any other distributions in respect of his shareholding in our Company or the shareholding of her relatives in our Company. For details of the shareholding and directorships of our Promoter in our Company, please refer to the chapter titled “*Capital Structure*”, “*Our Management*” and “*Restated*

*Financial Information - Related Party Transactions*” beginning on Page Nos. 63, 127 and 145, respectively of this Red Herring Prospectus.

#### *Interest of Promoter in our Company other than as a Promoter*

Our Promoter, Aditya Vikram Birla (Managing Director) is the director of our Company therefore, may deemed to be considered interested to the extent of any remuneration which shall be payable to him in such capacity. Except as stated in this section and the section titled “*Our Management*” and “*Restated Financial Information - Related Party Transactions*” beginning on Page No. 127 and 145, respectively, our Promoter does not have any interest in our Company other than as a Promoter.

No sum has been paid or agreed to be paid to our Promoter or to the firms or companies in which our Promoter is interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by our Promoter or by such firms or companies in connection with the promotion or formation of our Company.

#### *Interest in the properties of our Company*

Except as disclosed in the section titled “*Financial Information*” and the chapter titled “*Restated Financial Information - Related Party Transaction*” beginning on Page No. 145 and 172, our Promoter is not interested in the properties acquired by our Company in the three years preceding the date of filing of this Red Herring Prospectus with SEBI or proposed to be acquired by our Company, or in any transaction by our Company for the acquisition of land, construction of building or supply of machinery.

#### **Other Interest and Disclosures**

Except as stated in this section and the chapters titled “*Our Management*” and “*Restated Financial Information - Related Party Transactions*” beginning on Page No. 127 and 172, our Promoter does not have any interest in our Company other than as a Promoter.

Our Promoter along with the Directors, namely Pawan Kumar Tibrewalla and Purvi Birla have extended personal guarantees to secure the loan availed by our Company from Kotak Mahindra Bank Limited. For further details, please refer to “*Financial Indebtedness*” on page 179 of this Red Herring Prospectus.

Our Promoter is not interested in any transaction in acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

#### **Payment or benefits to our Promoter and Promoter Group during the last two years**

Except as stated in this chapter and the benefits mentioned in the related party transactions as per AS-18 there has been no payment of any amount of benefits to our Promoter or the members of our Promoter Group during the last two years from the date of this Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoter group as on the date of this Red Herring Prospectus. For further details, please refer to the chapter titled “*Restated Financial Information - Related Party Transactions*” beginning on Page No. 172 of this Red Herring Prospectus.

#### **Litigations involving our Promoter**

For details of legal and regulatory proceedings involving our Promoter, please refer chapter titled “*Outstanding Litigation and Material Development*” beginning on Page No. 189 of this Red Herring Prospectus.

#### **Guarantees**

Our Promoter has not given any guarantees to third parties in respect of our Company and the Equity Shares that are outstanding as on the date of filing of this Red Herring Prospectus.

#### **Details of Companies / Firms from which our Promoter has disassociated in the last three years**

Except as stated below, our Promoter have not disassociated themselves from any company/firm during three years preceding the date of this Red Herring Prospectus:

<b>S. No.</b>	<b>Name of the Company</b>	<b>Date of disassociation</b>	<b>Reason for disassociation</b>
1.	AAR ESS Homes Private Limited	April 14, 2023	Resignation from the board of directors and sale of shareholding aggregating to 10%
2.	Cosment Food Products LLP	March 10, 2023	Resignation from the post of designated partner
3.	Carro Enterprises Private Limited	March 25, 2022	Resignation from the board of directors

## OUR PROMOTER GROUP

In addition to our Promoter, the following individuals and entities form part of our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations:

### *Individuals forming part of the Promoter Group:*

Name of the member of Promoter Group	Relationship with the Promoter
Ravi Kumar Birla	Father
Suranjana Birla	Mother
Purvi Birla	Spouse
-	Brother
Gayatri Birla	Sister
Kabir Aditya Birla	Son
-	Daughter
Pawan Kumar Tibrewalla	Spouse's Father
Seema Tibrewalla	Spouse's Mother
-	Spouse's Brother
Disha Tibrewalla	Spouse's Sister

### *Entities forming part of the Promoter Group:*

Except as stated below, no other company, firm or HUF are forming part of the promoter group:

Sr. No.	Name of the entity
1.	Paraspyara Commercial Private Limited
2.	Comet Technocom Private Limited
3.	Comet Tradecom Private Limited
4.	Prilika Enterprises Private Limited
5.	Aditya Vikram Birla HUF
6.	Vidula Properties Private Limited
7.	PK Tibrewalla & Co.
8.	Pawan Kumar Tibrewalla HUF
9.	Amritash Commercial Private Limited
10.	Oxford Processors Private Limited
11.	A&J Main & Co. (Engineers) LLP
12.	AVB Entech Private Limited

### **Other Confirmations**

Neither our Promoter nor members of the Promoter Group have been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Our Promoter has not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

Neither Promoter nor entities forming part of our Promoter Group have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoter and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of this Red Herring Prospectus against our Promoter.

*(The remainder of this page is intentionally left blank)*

## **OUR GROUP COMPANY**

In terms of the SEBI ICDR Regulations, pursuant to a resolution of our Board dated February 25, 2023, and the applicable accounting standards (Accounting Standard 18 and Indian Accounting Standard 24), for the purpose of identification of “group companies” in relation to the disclosure in Offer Documents, our Company has considered the companies with which there have been related party transactions in the last three years, as disclosed in the section titled “*Financial Information*” on page 145 of this Red Herring Prospectus .

Accordingly, pursuant to the said resolution passed by our Board of Directors and the materiality policy adopted, for determining our Group Companies, AVB Entech Private Limited and Prilika Enterprises Private Limited have been identified and considered as the Group Company of our Company.

### **A. Details of our Group Companies**

#### **AVB Entech Private Limited**

##### *Registered Office address*

The registered office of AVB Entech Private Limited is situated at 19, Monohar Pukur Road, Kolkata – 700 029, West Bengal, India.

##### *Financial Performance*

AVB Entech Private Limited was incorporated on January 10, 2022, therefore the financial statements of the said company are not available for the preceding three Financial Years.

#### **Prilika Enterprises Private Limited**

##### *Registered Office address*

The registered office of Prilika Enterprises Private Limited is situated at Cosmic Tower19, Monohar Pukur Road, 4th Floor Kolkata – 700 029, West Bengal, India.

##### *Financial Performance*

The financial information derived from the audited financial statements of Prilika Enterprises Private Limited for the Financial Years ended March 31, 2022, March 31, 2021 and March 31, 2020 are available at [www.cosmiccrf.com/groupcompany/](http://www.cosmiccrf.com/groupcompany/).

### **B. Litigation**

Our Group Companies are not party to any litigation which may have material impact on our Company.

### **C. Common pursuits**

Our Group Companies does not have any common pursuits with our Company.

### **D. Related business transactions within our Group Company and significance on the financial performance of our Company**

Other than the transactions disclosed in “*Annexure 31: Statement of Related Party Transactions*” from the chapter titled “*Restated Financial Information*” on Page No. 172, there are no other related business transactions between our Group Companies and our Company.

### **E. Business Interest**

Except as disclosed in the section “*Annexure 31: Statement of Related Party Transactions*” from the chapter titled “*Restated Financial Information*” on Page No. 172, our Group Companies has no business interests in our Company.

### **F. Nature and extent of interest of our Group Companies**

a) *In the promotion of our Company*

Our Group Companies does not have any interest in the promotion of our Company.

b) *In the properties acquired by us in the preceding three years before filing this Red Herring Prospectus or proposed to be acquired by our Company*

Our Group Companies are not interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

c) *In transactions for acquisition of land, construction of building and supply of machinery*

Our Group Companies are not interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

### **DIVIDEND POLICY**

The declaration and payment of dividends, if any, will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to, net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of, or may enter into, to finance our fund requirements for our business activities. As on the date of this Red Herring Prospectus, our Company does not have a formal dividend policy.

Upon listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

Our Company has not declared any dividends during the last two Financial Years. Further, our Company has not declared any dividend in the current Fiscal. There is no guarantee that any dividends will be declared or paid in future. For details in relation to the risk involved, please refer section titled “*Risk Factors*” on Page No. 23 of this Red Herring Prospectus.

*(The remainder of this page is intentionally left blank)*

**SECTION VI – FINANCIAL INFORMATION**

**RESTATED FINANCIAL INFORMATION**

<b>S. No.</b>	<b>Details</b>	<b>Page Number</b>
1.	Restated Financial Information	146 – 177

*(The remainder of this page is intentionally left blank)*

**Independent Auditor's Report for the Restated Financial Statements of  
Cosmic CRF Limited**

To,  
**The Board of Directors**  
**Cosmic CRF Limited**  
19, MonoharPukur Road,  
Kolkata – 700 029,  
West Bengal, India

Dear Sirs,

1. We have examined the attached Restated Financial Statements of **Cosmic CRF Limited** (the “**Company**” or the “**Issuer**”) comprising the Restated Statement of Assets and liabilities as on March 31, 2023 and March 31, 2022, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the financial year ended March 31, 2023 and March 31, 2022, the Financial Statement of Significant Accounting Policies and other explanatory information annexed to this report (the “**Restated Financial Statements**”) for the purpose of inclusion in the Draft Red Herring Prospectus (“**DRHP**”), Red Herring Prospectus (“**RHP**”) and Prospectus (alongwith DRHP and RHP hereinafter referred as, the “**Offer Documents**”) of the Company proposed to be filed with the Securities and Exchange Board of India (“**SEBI**”), SME platform of BSE Limited (“**BSE SME**”) (“**Stock Exchange**”) and the relevant Registrar of Companies (“**ROC**”). These Restated Financial Statements have been prepared by the Company and approved by the Board of Directors of the Company at their meeting held on April 20, 2023.
2. These Restated Financial Statements have been prepared in accordance with the requirements of:
  - (i) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “**Act**”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**ICDR Regulations**”) and related amendments / clarifications from time to time issued by the SEBI; and
  - (iii) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (“**ICAI**”), as amended from time to time (the “**Guidance Note**”).

**Management's Responsibility for the Restated Financial Statements**

3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Statements for the purpose of inclusion in the Offer Documents. The Restated Financial Statements of the Company have been extracted by the management from the Audited Financial Statements (defined hereinafter) of the Company as at financial year ended March 31, 2023 and March 31, 2022, which have been approved by the Board of Directors.
4. The Restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure 4 to the Restated Financial Statements. The Board of Directors of the Company's responsibility includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations, and the Guidance Note.

**Auditors' Responsibilities**

5. We have examined such Restated Financial Statements taking into consideration:
  - a. The terms of reference and terms of our engagement agreed with you in accordance with our engagement letter; requesting us to carry out the assignment, in connection with the proposed IPO of equity shares of the Company
  - b. The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and
  - d. The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations, and the Guidance Note in connection with the proposed initial public offer of its equity shares of the Company.

6. The Restated Financial Statements have been compiled by the management from:
  - i. The audited financial statements of the Company as at and for the financial year ended March 31, 2023 which were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India (“**Audited Financial Statements 2023**”);

- ii. The audited financial statements of the Company as at and for the financial year ended March 31, 2022 which were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India (“**Audited Financial Statements 2022**”);

The statutory audits of the for the for financial year ended on March 31, 2023 and March 31, 2022 were conducted by the us. Accordingly, the examination report included for these years is based solely on the report submitted by us on the earlier years.

7. For the purpose of our examination, we have relied on:
  - a. the Auditors’ reports issued by us, dated April 17, 2023 on Audited Financial Statements 2023 as at and for the year ended March 31, 2023 as referred in Paragraph 6 above;
  - b. the Auditors’ reports issued by us, dated August 31, 2022 on Audited Financial Statements 2022 as at and for the year ended March 31, 2022 as referred in Paragraph 6 above;
8. Based on our examination and according to the information and explanations given to us and as per the reliance placed on the our audit report, we report that the Restated Financial Statements:
  - a) have been prepared after incorporating adjustments for changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the period/financial years March 31, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and groupings/classifications as at and for the year ended March 31, 2023;
  - b) does not contain any qualifications requiring adjustments; and
  - c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
9. We have been subjected to the peer review process of the ICAI and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
10. The Restated Financial Statements do not reflect the effects of events that occurred subsequent to the respective dates of the reports on Audited Financial Statements mentioned in paragraph 7 above.
11. The 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 or Previous Auditor nor should this report be construed as a new opinion on any of the financial statements referred to therein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with SEBI, Stock Exchange, and ROC in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For G A R V & Associates**

**Chartered Accountants**

ICAI Firm Registration No.: 301094E

Ashish Rustagi

**Partner**

Membership No: 062982

Place:Kolkata

Date: April 20, 2023

UDIN: 23062982BGRWQE4165

## RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Amount in Rs. Lakhs, unless mentioned otherwise)

PARTICULARS		Annexure Nos.	AS AT	
			31-Mar-23	31-Mar-22
<b>A)</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1.</b>	<b>Shareholders' Funds</b>			
(a)	Share Capital	7	1,000.00	885.70
(b)	Reserves & Surplus	8	629.40	(11.80)
	<b>Total (A)</b>		<b>1,629.40</b>	<b>873.90</b>
<b>2.</b>	<b>Non Current Liabilities</b>			
(a)	Long Term Borrowings	9	2,665.67	671.72
(b)	Deferred Tax Liabilities (Net)	16	27.81	-
	<b>Total (B)</b>		<b>2,693.48</b>	<b>671.72</b>
<b>3.</b>	<b>Current Liabilities</b>			
(a)	Short Term Borrowings	10	485.66	-
(b)	Trade Payables	11		
(i)	total outstanding dues to micro enterprises and small enterprises		95.99	-
(ii)	total outstanding dues to creditor other than micro enterprises and small enterprises		1,798.19	6.17
(c)	Other Current Liabilities	12	110.46	53.23
(d)	Short Term Provisions	13	62.06	-
	<b>Total (C)</b>		<b>2,552.36</b>	<b>59.40</b>
	<b>Total Equity and Liabilities (A+B+C)</b>		<b>6,875.24</b>	<b>1,605.02</b>
<b>B)</b>	<b>ASSETS</b>			
<b>1.</b>	<b>Non Current Assets</b>			
(a)	Property, Plant and Equipment and Intangible Assets			
i)	Property, plant and equipment	14A	4,146.75	3.86
ii)	Intangible assets	14B	-	15.32
iii)	Capital work-in-progress	14C	0.76	-
			<b>4,147.51</b>	<b>19.18</b>
(b)	Long Term Loans and Advances	15	8.79	1,507.46
(c)	Deferred Tax Asset (Net)	16	-	3.97
	<b>Total (A)</b>		<b>4,156.31</b>	<b>1,530.61</b>
<b>2.</b>	<b>Current Assets</b>			
(a)	Inventories	17	1,952.27	-
(b)	Trade Receivables	18	583.38	-
(c)	Cash and Bank Balances	19	30.08	45.26
(d)	Other Current Assets	20	153.21	29.15
	<b>Total (B)</b>		<b>2,718.94</b>	<b>74.41</b>
	<b>Total Assets (A+B)</b>		<b>6,875.24</b>	<b>1,605.02</b>

The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information appearing in Annexure 4 and Adjustments to Audited Financial Statements appearing in Annexure 5 and Reconciliation of restated Equity/ Networth appearing in Annexure 6.

This is the Restated Consolidated Statement of Assets and Liabilities referred to in our report of even date.

**For G A R V & Associates**  
Chartered Accountants  
Firm Registration Number: 301094E

**For& on behalf of the Board of Directors**  
**For Cosmic CRF Limited**  
CIN: U27100WB2021PLC250447

**(ASHISH RUSTAGI)**  
Partner  
Membership No. 062982

**Aditya Vikram Birla**  
(Managing Director)  
DIN: 06613927

**Purvi Birla**  
(Wholetime (Director)  
DIN: 01056704

Place: Kolkata  
Dated: 20<sup>th</sup> April, 2023

**Ram PadaMondal**  
(Chief Financial Officer)

**Anita Kumari Gupta**  
(Company Secretary)

## RESTATED STATEMENT OF PROFIT &amp; LOSS

(Amount in Rs. Lakhs, unless mentioned otherwise)

PARTICULARS		Annexure Nos.	FOR THE YEAR ENDED	
			31-Mar-23	31-Mar-22
<b>1</b>	<b>Income</b>			
(a)	Revenue From Operations	21	12,148.90	-
(b)	Other Income	22	0.41	-
<b>2</b>	<b>Total Income (1a+1b)</b>		<b>12,149.31</b>	<b>-</b>
<b>3</b>	<b>Expenditure</b>			
(a)	Cost of raw material consumed	23	10,813.10	-
(b)	Changes In Inventories Of Finished Goods, and Stock-In-Trade	24	(470.79)	-
(c)	Employee Benefit Expenses	25	252.82	2.93
(d)	Manufacturing Expenses	26	157.09	-
(e)	Finance Cost	27	259.76	-
(f)	Depreciation & Amortization	28	86.33	0.01
(g)	Other Expenses	29	183.02	12.83
<b>4</b>	<b>Total Expenditure 3(a) to 3(g)</b>		<b>11,281.33</b>	<b>15.77</b>
	<b>Profit/(Loss) Before Exceptional and Extra-Ordinary Item</b>		867.98	(15.77)
	Exceptional Items		-	-
<b>5</b>	<b>Profit/(Loss) Before Tax (2-4)</b>		<b>867.98</b>	<b>(15.77)</b>
<b>6</b>	<b>Tax Expense:</b>			
(a)	Tax Expense For Current Year		195.00	-
(b)	Short/(Excess) Provision of Earlier Year		-	-
(c)	Deferred Tax		31.78	(3.97)
	<b>Net Current Tax Expenses</b>		<b>226.78</b>	<b>(3.97)</b>
<b>7</b>	<b>Profit/(Loss) for the period from continuing operations (5-6)</b>		<b>641.20</b>	<b>(11.80)</b>
<b>8.1</b>	<b>Restated Earning Per Share</b>			
	Basic	Rs.	13.50	(2.52)
	Diluted	Rs.	13.50	(2.52)

The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information appearing in Annexure 4 and Adjustments to Audited Financial Statements appearing in Annexure 5 and Reconciliation of restated Equity/ Networth appearing in Annexure 6.

This is the Restated Consolidated Statement of Assets and Liabilities referred to in our report of even date.

**For G A R V & Associates**  
Chartered Accountants  
Firm Registration Number: 301094E

**For& on behalf of the Board of Directors**  
**For Cosmic CRF Limited**  
CIN: U27100WB2021PLC250447

**(ASHISH RUSTAGI)**  
Partner  
Membership No. 062982

**Aditya Vikram Birla**  
(Managing Director)  
DIN: 06613927

**Purvi Birla**  
(Wholetime (Director)  
DIN: 01056704

Place: Kolkata  
Dated: 20<sup>th</sup> April, 2023

**Ram PadaMondal**  
(Chief Financial Officer)

**Anita Kumari Gupta**  
(Company Secretary)

## RESTATED STATEMENT OF CASH FLOWS

(Amount in Rs. Lakhs, unless mentioned otherwise)

PARTICULARS	FOR THE YEAR ENDED	
	31-Mar-23	31-Mar-22
<b>A) Cash Flow From Operating Activities :</b>		
Net Profit before tax	867.98	(15.77)
Adjustment for :		
Depreciation	86.33	0.01
Interest Paid	259.76	-
Operating profit before working capital changes	1,214.07	(15.76)
<b>Changes in Working Capital</b>		
(Increase)/Decrease in Inventories	(1,952.27)	-
(Increase)/Decrease in Trade Receivables	(583.38)	-
(Increase)/Decrease in Long Term Loans & Advances	(1.33)	(7.46)
(Increase)/Decrease in Other Current Assets	(124.06)	(29.15)
Increase/(Decrease) in Trade Payables	1,888.01	6.17
Increase/(Decrease) in Other Current Liabilities	57.23	53.23
Increase/(Decrease) in Short Term Provisions	62.06	-
<b>Cash generated from operations</b>	560.34	7.03
Direct Tax Paid / (Refund) [Net]	195.00	-
<b>Cash Flow Before Extraordinary Item</b>	365.34	7.03
Extraordinary Items	-	-
Net cash flow from operating activities	365.34	7.03
<b>B) Cash Flow From Investing Activities :</b>		
Purchase/Sale of Property, Plant and Equipment	(4,229.20)	(3.87)
Purchase of Intangible Assets	(0.79)	-
Capital Work in Progress	15.32	(15.32)
Capital Advance	1,500.00	(1,500.00)
<b>Net cash flow from investing activities</b>	(2,714.67)	(1,519.19)
<b>C) Cash Flow From Financing Activities :</b>		
Issue of Shares	114.30	885.70
Increase/(Decrease) in Short Term Borrowings	485.66	
Increase/(Decrease) in Long Term Borrowings	1,993.95	671.72
Interest Paid	(259.76)	-
<b>Net cash flow from financing activities</b>	2,334.15	1,557.42
Net Increase/(Decrease) In Cash & Cash Equivalents	(15.18)	45.26
Cash equivalents at the beginning of the year	45.26	-
Cash equivalents at the end of the year	30.08	45.26
Notes :-		
	<b>As At</b>	
	<b>31-Mar-23</b>	<b>31-Mar-22</b>
1. Component of Cash and Cash equivalents		
Cash on hand	1.28	1.18
Balance With banks	7.30	44.08
Fixed Deposit	21.50	-
	30.08	45.26
<b>Reconciliation of the movements of liabilities to cash flows arising from financing activities</b>		
PARTICULARS	FOR THE YEAR ENDED	
	31-Mar-23	31-Mar-22
<b>Opening balance</b>		
Loan from Body Corporates	671.72	-
Total	671.72	-
<b>Movement</b>		
Cash flows ;		
Working Capital Facility	63.46	-
Loan from Related Parties	-	-
Loan from Body Corporates	514.42	671.72

Term Loan	1,901.73	-
Interest expenses	259.76	-
<b>Closing Balance</b>		
Working Capital Facility	63.46	-
Loan from Body Corporates	1,186.14	671.72
Term Loan	1,901.73	-
<b>Total</b>	<b>3,151.33</b>	<b>671.72</b>

2.1	The Restated Statement of Cash Flows has been prepared under the indirect method as set out in AS 3, Statement of Cash Flows.
2.2	The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information appearing in Annexure 4 and Adjustments to Audited Financial Statements appearing in Annexure 5 and Reconciliation of restated Equity/ Networth appearing in Annexure 6.
2.3	This is the Restated Statement of Cash Flows referred to in our report of even date.

**For G A R V & Associates**  
Chartered Accountants  
Firm Registration Number: 301094E

**For & on behalf of the Board of Directors**  
**For Cosmic CRF Limited**  
CIN: U27100WB2021PLC250447

**(ASHISH RUSTAGI)**  
Partner  
Membership No. 062982

**Aditya Vikram Birla**  
(Managing Director)  
DIN: 06613927

**Purvi Birla**  
(Wholetime (Director))  
DIN: 01056704

Place: Kolkata  
Dated: 20<sup>th</sup> April, 2023

**Ram PadaMondal**  
(Chief Financial Officer)

**Anita Kumari Gupta**  
(Company Secretary)

**SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED FINANCIAL STATEMENTS****A. BACKGROUND**

The Company was incorporated on 21st day of December, 2021 vide Registration No. U27100WB2021PLC250447 with the office of Registrar of Companies, West Bengal, Kolkata. The company having corporate and registered office at Kolkata. The Company is engaged in manufacturing of Railway Components, Sheet Piles and Structures from its Cold Rolled Forming (CRF) Unit located at Singur, Dist : Hooghly , West Bengal.

**B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES****I. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory Accounting Standards as prescribed under section 133 of the Companies Act 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the economic policy hitherto in use.

The Restated Statement of Assets and Liabilities of the Company as on March 31, 2023 and March 31, 2022, and the Restated Statement of Profit and Loss and Restated Statements of Cash Flows for the year ended on March 31, 2023 and March 31, 2022 and the annexure thereto (collectively, the "Restated Financial Statements" or "Restated Summary Statements") have been extracted by the management from the Audited Financial Statements of the Company for the year ended March 31, 2023 and March 31, 2022.

**II. USE OF ESTIMATES**

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on date of the financial statements. Actual results could differ from the estimates. Any revision to the accounting estimates is recognized prospectively in current and future periods.

**III. CURRENT AND NON CURRENT CLASSIFICATIONS**

All assets and liabilities are classified into current and non-current

**Assets**

An Asset is classified as current when it satisfies any of the following criteria:

- a. It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is expected to be realized within 12 months after the reporting date; or
- d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current Assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

**Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- a. It is expected to be settled in the company's normal operating cycle.
- b. It is held primarily for the purpose of being traded;
- c. It is due to be settled within 12 months after the reporting date; or
- d. The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

#### **IV. REVENUE RECOGNITION:**

Revenue is recognized when it is earned, and no significant uncertainty exists as to its realization or collection.

##### **Sale of Goods**

Revenue from sale of goods is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to the customers and no effective ownership is retained by the company. Revenue from sale of goods is recognized net of rebates and discounts.

Expenses are accounted for on accrual basis and provision is made for all expenses.

##### **Sale of Services**

Revenues from services priced on a time and material basis are recognised when services are rendered and related costs are incurred.

Interest income on deposits are recognized on time proportionate basis.

Dividends from investment in shares are recognised when a right to receive payment is established.

#### **V. PROPERTY, PLANT & EQUIPMENT:**

Property, Plant & Equipment are stated at historical cost less accumulated depreciation and impairment losses. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

#### **VI. INTANGIBLE ASSETS:**

Intangible Assets are stated at cost of acquisition, comprising of purchase price exclusive of taxes and duties (net of credit availed) and net of accumulated depreciation and accumulated impairment losses, if any. Accordingly, cost of computer software is amortized over the useful life using written down method over the period of 5 years.

#### **VII. DEPRECIATION**

Depreciation is provided on a straight line method (SLM) over the useful lives of assets, which is as stated in Schedule II of the Companies Act 2013 or based on technical estimation made by the Company.

Depreciation and amortization methods, useful lives and residual values are reviewed at each reporting date.

#### **VIII. VALUATION OF INVENTORIES:**

Inventories are valued at Cost or Net Realisable Value whichever is lower.

a) In case of Raw Material, Stores and spares, consumables, the cost includes transportation, duties and taxes (net of GST wherever applicable) and is arrived on FIFO basis.

b) Cost of Finished Goods and Work In Process (WIP) include the cost of raw material, cost of conversion and other manufacturing costs incurred in bringing the inventories to their present location and condition.

c) Scrap arising in course of production are valued at Net realizable value based on best available estimates available to the management.

#### **IX. EMPLOYEE BENEFITS:**

##### **(i) Short Term**

Short term employee benefits are recognized as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employees to the company.

##### **(ii) Retirement & other employee benefits**

Contribution to Provident Fund, Employee State Insurance and other funds are determined under the relevant statute and charged to revenue account.

No provision for gratuity has been made as none of the employees have completed the stipulated period of service.

Earned leaves are carried forward to future periods are “short term” benefit only if the employees are entitled to either encash or utilize the benefits during the period of twelve months following the end of the accounting period (when they became entitled to the leave). In other cases the benefit is required to be treated as “long term”.

**X. INVESTMENTS:**

Investments are classified into long term investments and current investments. Investments which are intended to be held for one year or more are classified as long term investments and investments which are intended to be held for less than one year are classified as current investments.

Long term investments are carried at cost less diminution in value which is other than temporary, determined separately for each investment.

Current investments are carried at lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment. In case of investments in mutual funds, the net asset value of units declared by the mutual funds is considered as the fair value.

**XI. EARNINGS PER SHARE:**

The earnings considered in ascertaining the Company's Earnings Per Share comprise net profit after tax. The number of shares (nominal value of Rs.10/-) used in computing Basic Earnings Per Share is weighted average number of shares outstanding during the year.

**XII. ACCOUNTING FOR TAXES ON INCOME:**

Tax expense comprises current tax(i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

**Current tax**

Provision for income tax is recognized based on estimated tax liability computed after adjusting for allowances, disallowances and exemptions in accordance with the Income Tax Act, 1961.

**Deferred taxation**

The deferred tax charge or credit and the corresponding deferred tax liabilities and assets are recognized using the tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of the assets. Deferred tax assets are reviewed at each balance sheet date and written down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

**Minimum Alternative Tax (MAT) credit**

MAT credit asset is recognized where there is convincing evidence that the asset can be realized in future. MAT credit assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realised.

**XIII. BORROWING COSTS:**

Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/ development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets.

**XIV. IMPAIRMENT OF ASSETS:**

The carrying amounts of assets are reviewed at each balance sheet date to ascertain impairment based on internal / external factors. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the net selling price of the assets or their value in use. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

**XV. CASH AND CASH EQUIVALENTS:**

Cash and cash equivalents comprise of cash at bank, cash in hand and bank deposits having maturity of 3 months or less.

**XVI. PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS:**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognized in the period in which the change occurs.

**XVII. ROUNDING OFF AMOUNTS:**

All amounts disclosed in financial statements and notes have been rounded off to the nearest rupees in Lakh as per requirement of Schedule III of the Act, unless otherwise stated.

**C. NOTES TO ACCOUNTS****I. NON-ADJUSTMENT ITEMS:**

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Consolidated Financial Statements of the Company have been pointed out during the restated period.

**II. MATERIAL REGROUPING**

Appropriate regrouping has been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

The figures have been grouped and classified wherever they were necessary and have been rounded off to the nearest rupee in lakhs. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.

**III. PAYABLE TO MICRO, SMALL AND MEDIUM ENTERPRISES**

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro and Small Enterprises.

The company has not received the required information from any of the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as the year end together with interest paid/payable as required under the Act have not been made.

**IV. OPERATING LEASES**

The Company has taken premise on operating lease. Gross rental expenses for the year which has been included under the head Operating expenses – Rent in the statement of profit and loss.

**Gross Rental Expenses**

(Amounts in lakhs, unless otherwise stated)

Particulars	For the period ended	
	31-Mar-2023	31-March-2022
Rent Paid	16.93	-

Particulars	For the period ended	
	31-Mar-2023	31-March-2022
<b>Minimum lease payments for non-cancellable lease</b>		
- not later than one year	-	-
- later than one year and not later than five years	-	-
- later than five years	-	-

**V. MATERIAL ADJUSTMENTS IN RESTATED PROFIT & LOSS ACCOUNT**

(Amount in lakhs, unless otherwise stated)

Particulars	As at	
	31-Mar-2023	31-March-2022
Net profit before tax as per audited financial statements	641.20	(11.80)
<b>Restatement adjustments:</b>	-	-
<b>Total adjustments</b>	-	-
<b>Restated net profit before tax</b>	<b>641.20</b>	<b>(11.80)</b>

**VI. MATERIAL ADJUSTMENTS IN RESTATED TOTAL EQUITY**

(Amount in lakhs, unless otherwise stated)

Particulars	As at	
	31-Mar-2023	31-March-2022
Equity/ Net worth as per audited financials	1,629.40	873.90
Restatement adjustments:	-	-
Total adjustments	-	-
Restated Equity/ Net worth	5,282.75	5,160.50

**VII. MANAGERIAL REMUNERATION**

(Amount in lakhs, unless otherwise stated)

PARTICULARS	For the year ended	
	31-Mar-2023	31-March-2022
Remuneration to Directors	31.50	-
Total	31.50	-

**VIII. REMUNERATION TO AUDITORS**

(Amount in lakhs, unless otherwise stated)

PARTICULARS	For the year ended	
	31-Mar-2023	31-March-2022
Payment to Auditors		
- Audit fees	3.50	0.25
- Tax Audit Fees	0.50	-
- For other services	2.00	-
Total	6.00	0.25

**For G A R V & Associates**  
Chartered Accountants  
Firm Registration Number: 301094E

**For & on behalf of the Board of Directors**  
**For Cosmic CRF Limited**  
CIN: U27100WB2021PLC250447

**(ASHISH RUSTAGI)**  
Partner  
Membership No. 062982

**Aditya Vikram Birla**  
(Managing Director)  
DIN: 06613927

**Purvi Birla**  
(Wholetime (Director)  
DIN: 01056704

Place: Kolkata  
Dated: 20<sup>th</sup> April, 2023

**Ram Pada Mondal**  
(Chief Financial Officer)

**Anita Kumari Gupta**  
(Company Secretary)

## RECONCILIATION OF RESTATED PROFIT AND LOSS

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	AS AT	
	31-Mar-23	31-Mar-22
Net profit before tax as per audited financial statements	867.98	(15.77)
<b>Restatement adjustments:</b>	-	-
<b>Total adjustments</b>	-	-
<b>Restated net profit before tax</b>	<b>867.98</b>	<b>(15.77)</b>

Annexure 6 (a &amp;b)

## (a) RECONCILIATION OF RESTATED EQUITY/ NETWORTH

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	AS AT	
	31-Mar-23	31-Mar-22
Equity/ Networth as per audited financials	1,629.40	873.90
<b>Restatement adjustments:</b>	-	-
<b>Total adjustments</b>	-	-
<b>Restated Equity/ Networth</b>	<b>1,629.40</b>	<b>873.90</b>

## (b) Explanatory notes for the restatement adjustments

(i) The amount relating to the income/ expenses have been adjusted in the year to which the same relates to and under which head the same related to.
(ii) The company has provided excess provision of tax in the year in which income tax return has been filed and has been adjusted in prior period items in financials but in the restated financials it has been adjusted in the same financial year where it relates to.
(iii) Appropriate adjustments have been made in the restated consolidated financial statements, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per audited financials of the company for all the years.

## STATEMENT OF SHARE CAPITAL

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	AS AT	
	31-Mar-23	31-Mar-22
<b>Authorised*</b>		
<b>Equity Shares</b>		
Number of shares	15,000,000	5,000,000
Equity shares of Rs.10 each	1,500.00	500.00
<b>Preference Shares</b>		
Number of shares	5,000,000	5,000,000
0.01% Redeemable, Cumulative, Non-Convertible Preference Share of Rs.10/- each	500.00	500.00
<b>Issued</b>		
Number of shares	5,100,000	3,957,000
Equity shares of Rs.10 each fully paid up	510.00	395.70
Number of shares	4,900,000	4,900,000
Preference shares of Rs.10 each	490.00	490.00
<b>Subscribed &amp; Paid up</b>		
Number of shares	5,100,000	3,957,000
Equity shares of Rs.10 each fully paid up	510.00	395.70
Number of shares	4,900,000	4,900,000
Preference shares of Rs.10 each	490.00	490.00

**Rights, preferences and restrictions attached to shares**

The Company has only one class of equity shares having a par value of Rs 10/- per share. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares 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.

**RECONCILIATION OF NUMBER OF EQUITY SHARES**

Particulars	AS AT	
	31-Mar-23	31-Mar-22
Equity Shares outstanding at the beginning of the year	3,957,000	-
Add:		
Equity Shares issued during the year	1,143,000	3,957,000
Less:		
Equity Shares bought back during the year	-	-
<b>Equity Shares outstanding at the end of the year</b>	<b>5,100,000</b>	<b>3,957,000</b>

**RECONCILIATION OF NUMBER OF PREFERENCE SHARES**

Particulars	AS AT	
	31-Mar-23	31-Mar-22
Preference Shares outstanding at the beginning of the year	4,900,000	-
Add:		
Preference Shares issued during the year	-	4,900,000
Less:		
Preference Shares bought back during the year	-	-
<b>Preference Shares outstanding at the end of the year</b>	<b>4,900,000</b>	<b>4,900,000</b>

There are no shares held by holding / ultimate holding company and / or their subsidiaries / Associates.

**Details of Equity Shares held by shareholders holding more than 5% of the aggregate equity shares in the Company**

Name of Shareholder	Number of Shares and % Holding As At	
	31-Mar-23	31-Mar-22
Pawan Kr Tibrewalla	-	751,000
% Holding	-	18.98%
Pawan Kr Tibrewalla- HUF	-	700,000
% Holding	-	17.69%
Disha Tibrewalla	-	751,000
% Holding	-	18.98%
Seema Tibrewalla	-	751,000
% Holding	-	18.98%
SreerampurIspat Pvt Ltd	-	900,000
% Holding	-	22.74%
Aditya Vikram Birla	3,263,600	-
% Holding	63.99%	-
Purvi Birla	750,000	-
% Holding	14.71%	-
M/S Prilika Enterprises Pvt Ltd	900,000	-
% Holding	17.65%	-

**Details of Preference Shares held by shareholders holding more than 5% of the aggregate preference shares in the Company**

Name of Shareholder	Number of Shares and % Holding As At	
	31-Mar-23	31-Mar-22
Anandraj Developers Pvt Ltd	4,400,000	4,400,000
% Holding	89.80%	89.80%
A V Realestate Pvt Ltd	500,000	500,000
% Holding	10.20%	10.20%

**Shareholding of Promoters at the end of the period**
*As at 31-Mar-2023*

Name of the Promoter	% of total shares	% change during the period
Aditya Vikram Birla	63.99%	NA

*As at 31-Mar-2022*

Name of the Promoter	% of total shares	% change during the period
Aditya Vikram Birla	0.00%	NA

## STATEMENT OF RESERVES AND SURPLUS

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	AS AT	
	31-Mar-23	31-Mar-22
<b>Securities Premium</b>		
Balance as per last financial statements	-	-
Add: Received during the year	-	-
Balance as per end of the financial period (A)	-	-
<b>Surplus of Profit and Loss Account</b>		
Balance as per the last financial statements	(11.80)	-
Profit/(Loss) for the year	641.20	(11.80)
Amount available for appropriation	629.40	(11.80)
Less - Prior period provision for income tax write off		
Balance as per end of the financial period (B)	629.40	(11.80)
<b>Total</b>	<b>629.40</b>	<b>(11.80)</b>

## Annexure 9

## STATEMENT OF LONG TERM BORROWINGS

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	AS AT	
	31-Mar-23	31-Mar-22
<b>Secured Loan</b>		
- From bank and financial institutions	1,479.53	-
	<b>1,479.53</b>	-
<b>Unsecured Loan</b>		
- From Body Corporate	1,186.14	671.72
	<b>1,186.14</b>	<b>671.72</b>
<b>Total</b>	<b>2,665.67</b>	<b>671.72</b>

## Annexure 10

## STATEMENT OF SHORT TERM BORROWINGS

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	AS AT	
	31-Mar-23	31-Mar-22
<b>Secured Loan</b>		
- Current maturities of long term borrowings	422.20	-
- From bank and financial institutions	63.46	-
	<b>485.66</b>	-
<b>Total</b>	<b>485.66</b>	-
The above amount includes:		
Secured Borrowings	1,965.19	-
Unsecured Borrowings	1,186.14	671.72

## STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

Type of Loan	Sanctioned amount (₹ in lakhs)	Amount outstanding as on March 31, 2023 (₹ in Lakhs)	Rate of Interest (% p.a.)	Tenor/ Period	Purpose	Repayment Schedule	Security Provided
<b>Term Loan Limit</b>							
Kotak Mahindra Bank Limited -Term Loan	2,000.00	1,894.74	18.00 (Fixed)	60 months	For purchase of CRF Unit from Cosmic Ferro Alloys Limited	Principal shall be repaid by way of 57 equal Instalments starting from 4 <sup>th</sup> month following the month of first disbursement of the Term Loan.	<ul style="list-style-type: none"> <li>Personal Guarantee of Mr. Pawan Kumar Tibrewalla, Mr. AdltyaBirla, and Ms. Purvi Aditya Birla</li> <li>Please refer to note 1 for collateral securities</li> </ul>
ICICI Bank Limited - Car Loan	7.00	7.00	8.90 (Fixed)	60 months	For purchase of Hundai - Aura	Principal shall be repaid by way of 60 equal Instalments	None
<b>Working Capital Limit</b>							
Kotak Mahindra Bank Limited - Drop-line overdraft facility	200.00	63.46	13.10% to be charged on the applicable REPO Rate	One year	Working Capital	Repayable on demand	<ul style="list-style-type: none"> <li>Personal Guarantee of Mr. Pawan Kumar Tibrewalla, Mr. AdltyaBirla, and Ms. Purvi Aditya Birla</li> <li>Please refer to note 1 for collateral securities</li> </ul>

## Security Details of the above mentioned loans:

- |         |  |
|---------|--|
| Sr. No. | Collateral Details   |
| 1.      | Factory Land and Building located at Mouza: Ajabnagar, J.L No: 82, R.S tt LR Plot Nos: 405, 404, 379,378, 380, 381, 382, 383, 395, 396, 393, 394, 397, 403, 391, 406, and 402. Mouza: - Paltagarh, J.L No: 83 R.S a L.R Plot No: 485, At Village - Ajabnagar, P .0: MollaSimla, District: Hooghly Pin: 712409 Under BaruiparaPaltagrah Gram Panchayat owned by Cosmic CRF Ltd. |
| 2.      | Plant and Machinery located at aforesaid location owned by Cosmic CRF Ltd.   |
| 3.      | Personal Guarantee of Mr. Pawan Kumar Tibrewalla, Mr. AdltyaBirla, and Ms. Purvi Aditya Birla  |

## STATEMENT OF TRADE PAYABLES

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	AS AT	
	31-Mar-23	31-Mar-22
<b>For Goods &amp; Services</b>		
- Micro, small and medium enterprises	95.99	-
- Others	1,798.19	6.17
<b>Further classified to:</b>		
- Related party	95.99	-
- Others	1,798.19	6.17
<b>Total</b>	<b>1,894.18</b>	<b>6.17</b>

The trade payables ageing schedule for the period March 31, 2023 is as follows						
Particulars	Not due for payment	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 Year	
MSME	-	95.99	-	-	-	<b>95.99</b>
Others	-	1798.19	-	-	-	<b>1798.19</b>
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

The trade payables ageing schedule for the period March 31, 2022 is as follows						
Particulars	Not due for payment	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 Year	
MSME	-	-	-	-	-	-
Others	-	6.17	-	-	-	<b>6.17</b>
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:		
Particulars	AS AT	
	31-Mar-23	31-Mar-22
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal and interest	-	-
Total	-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(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 MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) 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 MSMED Act.	-	-

## STATEMENT OF OTHER CURRENT LIABILITIES

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	As At	
	31-Mar-23	31-Mar-22
Statutory dues payable	12.33	1.81
Advance from customers	50.00	44.00
Expenses Payable	5.36	6.29
Salary Payable	9.74	1.13
Interest Payable	29.03	-
Other Payable	4.00	-
<b>Total</b>	<b>110.46</b>	<b>53.23</b>

## STATEMENT OF SHORT TERM PROVISIONS

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	As at	
	31-Mar-23	31-Mar-22
Provision for employee benefit expense	8.76	-
Provision for income tax (net of advance tax and tax deducted at source)	53.30	-
<b>Total</b>	<b>62.06</b>	<b>-</b>

## PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(Amount in Rs. Lakhs, unless mentioned otherwise)

## A. PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	Factory & Building	Freehold improvements	Plant and Equipment	Furniture and fixtures	Vehicles	Office equipments	Computers	CWIP (Annexure 14C)	Total
<b>Period ended March 31, 2023</b>									
<b>GROSS CARRYING AMOUNT</b>									
Opening gross carrying amount	-	-	-	3.49	-	-	0.38	-	3.87
Additions	645.98	1,097.63	2,442.76	25.80	8.48	4.50	4.05		4,229.20
Disposals/Adjustment	-	-	-	-	-	-	-	-	-
<b>Closing Gross Carrying Amount</b>	645.98	1,097.63	2,442.76	29.29	8.48	4.50	4.43	-	4,233.07
<b>ACCUMULATED DEPRECIATION</b>									
Opening accumulated depreciation	-	-	-	0.00	-	-	0.01	-	0.01
Depreciation charged during the year	14.66	-	69.58	0.85	0.09	0.49	0.65	-	86.31
Disposals/Adjustments	-	-	-	-	-	-	-	-	-
<b>Closing Accumulated Depreciation</b>	14.66	-	69.58	0.85	0.09	0.49	0.66	-	86.32
<b>Net Carrying Amount</b>	631.33	1,097.63	2,373.18	28.44	8.39	4.01	3.77		4,146.75

PARTICULARS	Factory & Building	Freehold improvements	Plant and Equipment	Furniture and fixtures	Vehicles	Office equipments	Computers	CWIP (Annexure 14C)	Total
<b>Year ended March 31, 2022</b>									
<b>GROSS CARRYING AMOUNT</b>									
Opening gross carrying amount	-	-	-	-	-	-	-	-	-
Additions	-	-	-	3.49	-	-	0.38	15.32	19.19
Disposals/Adjustment	-	-	-	-	-	-	-	-	-
<b>Closing Gross Carrying Amount</b>	-	-	-	3.49	-	-	0.38	15.32	19.19
<b>ACCUMULATED DEPRECIATION</b>									

Opening accumulated depreciation	-	-	-	-	-	-	-	-	-
Depreciation charged during the year	-	-	-	0.00	-	-	0.01	-	0.01
Disposals/Adjustments	-	-	-	-	-	-	-	-	-
<b>Closing Accumulated Depreciation</b>	-	-	-	0.00	-	-	0.01	-	0.01
<b>Net Carrying Amount</b>	-	-	-	3.49	-	-	0.37	15.32	19.18

**Title Deeds of Immovable Property not held in the Name of Company.**

Particular	Relevant Line Item in Balance Sheet	Description of Item of Property	Gross Carrying Value	Title Deeds held in the name of	Whether the title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of company
There is no immovable property whose title deeds are not held other than in the name of the company therefore not applicable.							

**Benami Property**

There is no proceeding initiated or pending against the company for holding any benami property under Benami Transaction (Prohibition) Act 1988.

**B. INTANGIBLE ASSETS**

<b>PARTICULARS</b>	<b>Computer Software</b>	<b>Total</b>
<b>Period ended March 31, 2023</b>		
<b>GROSS CARRYING AMOUNT</b>		
Opening gross carrying amount	-	-
Additions	0.79	0.79
Disposals/Adjustment	-	-
<b>Closing Gross Carrying Amount</b>	<b>0.79</b>	<b>0.79</b>
<b>ACCUMULATED DEPRECIATION</b>		
Opening accumulated depreciation	-	-
Depreciation charged during the year	0.03	0.03
Disposals/Adjustments	-	-
<b>Closing Accumulated Depreciation</b>	<b>0.03</b>	<b>0.03</b>
<b>Net Carrying Amount</b>	<b>0.76</b>	<b>0.76</b>

<b>PARTICULARS</b>	<b>Computer Software</b>	<b>Total</b>
<b>Year ended March 31, 2022</b>		
<b>GROSS CARRYING AMOUNT</b>		
Opening gross carrying amount	-	-
Additions	-	-
Disposals/Adjustment	-	-
<b>Closing Gross Carrying Amount</b>	<b>-</b>	<b>-</b>
<b>ACCUMULATED DEPRECIATION</b>		
Opening accumulated depreciation	-	-
Depreciation charged during the year	-	-
Disposals/Adjustments	-	-
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>-</b>
<b>Net Carrying Amount</b>	<b>-</b>	<b>-</b>

**C. CAPITAL WORK-IN PROGRESS (CWIP)**

**Period ended March 31, 2023**

<b>CWIP</b>	<b>Amount in CWIP for a period of</b>				<b>Total</b>
	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

**Year ended March 31, 2022**

<b>CWIP</b>	<b>Amount in CWIP for a period of</b>				<b>Total</b>
	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
Projects in progress	15.32	-	-	-	15.32
Projects temporarily suspended	-	-	-	-	-

## STATEMENT OF LONG TERM LOANS &amp; ADVANCES

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	As At	
	31-Mar-23	31-Mar-22
<b>Unsecured, Considered good</b>		
Capital Advance	-	1,500.00
Security Deposit	8.79	7.46
<b>Total</b>	<b>8.79</b>	<b>1,507.46</b>

## STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Tax effect of item constituting deferred tax assets (A)</b>		
- on brought forward losses and unabsorbed depreciation	(1.46)	(4.03)
<b>Tax Effect of item constituting deferred tax liability (B)</b>		
- on difference in WDV of property, plant & equipment as per books and income tax	29.27	0.06
<b>Closing Balance of Deferred Tax (Asset)/ Liability (A-B)</b>	<b>27.81</b>	<b>(3.97)</b>

## STATEMENT OF INVENTORIES

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	As At	
	31-Mar-23	31-Mar-22
(As taken, valued and certified by the Management)		
(Valued at Cost or Market value, whichever is lower)		
Raw Materials	1,458.74	-
Stores, Spares & Others	22.74	-
Process Stock	128.52	-
Finished Goods	342.27	-
<b>Total</b>	<b>1,952.27</b>	<b>-</b>

## STATEMENT OF TRADE RECEIVABLE

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	AS AT	
	31-Mar-23	31-Mar-22
<b>Unsecured</b>		
-Considered good	583.38	-
Less :		
Provision for doubtful debts	-	-
<b>Total</b>	<b>583.38</b>	<b>-</b>
<b>Further classified as:</b>		
Receivable from related parties	-	-
Receivable from others	583.38	-
<b>Total</b>	<b>583.38</b>	<b>-</b>

The trade receivables ageing schedule for the period March 31, 2023 is as follows						
Particulars	Less than 6 months	6 Month to 1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) Undisputed trade receivables – considered good	578.85	4.53	-	-	-	<b>583.38</b>
(ii) Undisputed trade receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

The trade receivables ageing schedule for the period March 31, 2022 is as follows						
Particulars	Less than 6 months	6 Month to 1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) Undisputed trade receivables – considered good	-	-	-	-	-	-
(ii) Undisputed trade receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

**Annexure 19**

**STATEMENT OF CASH & CASH EQUIVALENTS**

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	As At	
	31-Mar-23	31-Mar-22
Cash on hand (As Certified by Management)	1.28	1.18
Balances with banks		
- In Current Accounts	7.30	44.08
- In Deposit Account	21.50	-
<b>Total</b>	<b>30.08</b>	<b>45.26</b>

**Annexure 20**

**STATEMENT OF OTHER CURRENT ASSETS**

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	As At	
	31-Mar-23	31-Mar-22
Prepaid expenses	1.11	-
Deposit with revenue authorities	117.73	1.28
Advances given:-		
- To related parties	-	-
- To suppliers	26.20	27.87
- To others	0.31	-
Other current assets	7.86	-
<b>Total</b>	<b>153.21</b>	<b>29.15</b>

## STATEMENT OF REVENUE FROM OPERATIONS

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Sale of Products	12,143.69	-
Other Operating Revenue		
- Service Charges	5.21	-
<b>Total</b>	<b>12,148.90</b>	<b>-</b>

## Annexure 22

## STATEMENT OF OTHER INCOME

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Interest on Deposit with Bank	0.41	-
<b>Total</b>	<b>0.41</b>	<b>-</b>

## Annexure 23

## STATEMENT OF RAW MATERIAL CONSUMED

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
<b>Opening Stock</b>		
Raw Material	-	-
	-	-
<b>Add : Purchases</b>	12,271.84	-
<b>Closing Stock</b>		
Raw Material	1,458.74	-
	<b>1,458.74</b>	<b>-</b>
<b>Total</b>	<b>10,813.10</b>	<b>-</b>

## Annexure 24

## STATEMENT OF PURCHASES OF STOCK IN TRADE

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
<b><u>Inventories at the end of the year</u></b>		
Finished Goods	342.27	-
Stock-In-Process	128.52	-
<b><u>Inventories at the beginning of the year</u></b>		
Finished Goods	-	-
Stock-In-Trade	-	-
<b>Net(Increase)/decrease</b>	<b>(470.79)</b>	<b>-</b>

## STATEMENT OF EMPLOYEE BENEFITS EXPENSES

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
a) Salaries and bonus		
- To others	215.69	2.59
- To related parties	-	-
b) Director's remuneration	31.50	-
c) Staff Welfare Expenses	3.48	0.34
d) Contribution to various funds	2.15	-
<b>Total</b>	<b>252.82</b>	<b>2.93</b>

## Annexure 26

## STATEMENT OF MANUFACTURING EXPENSES

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Stores Consumed	18.08	-
Job Work Charges	73.97	-
Powers & Fuel	49.89	-
Packing & Forwarding Charges	8.08	-
Hire & Testing Charges	5.85	-
Other Manufacturing Exp.	1.22	-
<b>Total</b>	<b>157.09</b>	<b>-</b>

## Annexure 27

## STATEMENT OF FINANCE COST

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Interest On Term Loan	204.99	-
Interest On Cash Credit	14.03	-
Interest On Unsecured Loan	39.78	-
Other Interest & Bank Charges	0.96	-
<b>Total</b>	<b>259.76</b>	<b>-</b>

## Annexure 28

## STATEMENT OF DEPRECIATION AND AMORTIZATION

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Depreciation	86.31	0.01
Amortization	0.03	-
<b>Total</b>	<b>86.33</b>	<b>0.01</b>

## STATEMENT OF OTHER EXPENSES

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Advertisement & Sales Promotion	1.79	-
Carriage Outward	38.75	-
Electricity Charges	0.48	-
Insurance Premium	5.47	-
Legal, Consultancy & Professional Fees	29.42	0.20
Miscellaneous Expenses	31.30	0.42
Paymant to Auditors	6.00	0.25
Preliminary Expenses	-	9.66
Printing & Stationery	3.37	0.68
Rates & Taxes	0.31	0.03
Rent	16.93	-
Repairs & Maintenance		-
-Building	2.63	-
-Others	2.54	-
-Plant & Machinery	26.94	-
Security Charges	7.21	0.32
Telephone & Internet	0.41	0.08
Travelling & Conveyances	9.49	1.19
<b>TOTAL</b>	<b>183.02</b>	<b>12.83</b>

## Annexure 29.1

## STATEMENT OF PAYMENT TO AUDITORS

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Payment to auditors		
- Audit fees	3.50	0.25
- Tax Audit fees	0.50	-
- for other services	2.00	-
<b>Total</b>	<b>6.00</b>	<b>0.25</b>

## Annexure 30

## STATEMENT OF MANDATORY ACCOUNTING RATIOS

(Amount in Rs. Lakhs, except share data)

Particulars	As at	
	31-Mar-23	31-Mar-22
Net Worth (A)	1,629.40	873.90
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	1,213.66	(15.76)
Restated profit after tax (B)	641.20	(11.80)
Number of equity share outstanding as on the end of year/period	5,100,000	3,957,000
Weighted average number of equity shares outstanding during the year/period (D) -	4,749,504	467,827
Weighted average number of diluted equity shares outstanding during the year/period (E) -	4,749,504	467,827
Current assets (E)	2,718.94	74.41
Current liabilities (F)	2,552.36	59.40
Basic earnings per share (INR) (B/D)	13.50	(2.52)

Diluted earnings per share (INR) (B/E)	13.50	(2.52)
Return on net worth (%) (B/A)	39.35%	-1.35%
Net asset value per share - ((A-Pref Share Capital)/C) (Face value of Rs. 10 each)	22.34	9.70
Current ratio (E/F)	1.07	1.25

1) The ratios have been computed as below:

(a) Basic earnings per share (Rs.): Net profit after tax, as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year

(b) Diluted earnings per share (Rs.): Net profit after tax, as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year

(c) Return on net worth (%): Net profit after tax, as restated / Net worth at the end of the period or year

(d) Net assets value per share (Rs.) -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year

(e) Net worth has been calculated as sum of Equity Share Capital and reserves and surplus (comprising of Securities Premium, Foreign Currency Translation Reserve and Surplus of Profit and Loss Account)

## Annexure 31

### STATEMENT OF RELATED PARTY TRANSACTIONS

(Amount in Rs. Lakhs, unless mentioned otherwise)

<b>1. Names of the related parties with whom transaction were carried out during the years and description of relationship:</b>			
a)	Name of related parties by whom control is exercised	Prilika Enterprises Pvt Ltd AVB Entech Pvt Ltd	
b)	Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise:	1. Mr. Aditya Vikram Birla 2. Mrs. Purvi Birla 3. Mr. Pawan Kumar Tibrewalla 4. Mr. Ram PadaMondal (CFO) (w.e.f. from 02.01.2023) 5. Mrs. DipikaSahu (CS) 6. Mrs. Anita Gupta (CS)	
<b>2. Transaction with Key Management Personnel/Directors</b>			
(Amount in Lakhs, Unless Otherwise Stated)			
Sr. No.	Nature of Transaction	As at	
		31-Mar-23	31-Mar-22
1	<b>Remuneration</b>		
	Mr. Aditya Vikram Birla	28.00	-
	Mrs. Purvi Birla	3.50	-
2	<b>Loans Taken</b>		
	AVB EntechPvt. Ltd.	25.00	-
3	<b>Interest Paid</b>		
	AVB Entech Pvt Ltd.	0.70	-
4	<b>Service Charges Received</b>		
	Prilika Enterprises Pvt. Ltd.	3.00	-
5	<b>Purchases</b>		
	Prilika Enterprises Pvt. Ltd.	134.72	-
6	<b>Rent Paid</b>		
	Prilika Enterprises Pvt. Ltd.	29.84	-
7	<b>Salary Paid</b>		
	DipikaSahu	0.88	-
	Ram PadaMondal	3.00	-
	Anita Gupta	1.06	-
8	<b>Job Work</b>		
	Prilika Enterprises Pvt. Ltd.	73.65	-
<b>3. Balances Outstanding at the end of the Year</b>			

Sr. No.	Particulars	As at	
		31-Mar-23	31-Mar-22
1	Mr. Aditya Vikram Birla		
	Remuneration Payable	3.00	-
2	Mrs. Purvi Birla		
	Remuneration Payable	0.80	
3	Ram PadaMondal		
	Salary Payable	0.90	-
4	Anita Gupta		
	Salary Payable	0.52	-
5	Prilika Enterprises Pvt. Ltd.		
	Trade Payable	95.99	-
	Security Deposit	7.46	-

#### Annexure 32

#### STATEMENT OF TAX SHELTER

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars		For the year ended	
		31-Mar-23	31-Mar-22
<b>A</b>	Profit before taxes as restated	<b>867.98</b>	<b>(15.77)</b>
	- Taxable at normal Rate	<b>867.98</b>	<b>(15.77)</b>
	- Taxable at special Rate	-	-
<b>B</b>	Normal Tax Rate Applicable %	26.19%	25.17%
	Special Tax Rate Applicable %		
<b>C</b>	Tax Impact (A*B)	227.32	(3.97)
<b>D</b>	<b>Adjustments:</b>		
	Difference in depreciation	(116.06)	-
	Preliminary expense (1/5th of expense)	(1.93)	-
	deduction u/s 80JJAA	(1.57)	-
	36 Disallowance	4.42	-
	<b>Total</b>	<b>(115.14)</b>	<b>-</b>
<b>E</b>	<b>Unabsorbed Loss/(Carried Forward Loss Set off)</b>	<b>(8.28)</b>	<b>-</b>
<b>F</b>	<b>Net Adjustment (F) = (D+E)</b>	<b>(123.42)</b>	<b>-</b>
<b>G</b>	<b>Tax Expenses/ (Saving) thereon</b>	<b>(32.32)</b>	<b>-</b>
<b>H</b>	<b>Net Tax Expenses</b>	<b>195.00</b>	
<b>I</b>	<b>Deferred Tax (Annexure 32.1)</b>	31.78	(3.97)
<b>J</b>	<b>Total tax expenses (H+I)</b>	<b>226.78</b>	<b>(3.97)</b>

#### Annexure 32.1

#### STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES AS RESTATED

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars		As at	
		31-Mar-23	31-Mar-22
<b>A</b>	Dep as per Companies Act, 2013	86.33	3.86
<b>B</b>	Dep as per Income tax Act, 1961	202.39	3.62
	Difference in WDV (A-B)	(116.06)	0.24
<b>C</b>	<b>Deferred Tax (Asset)/ Liability</b>	<b>29.21</b>	<b>0.06</b>
	Preliminary expenses	5.80	7.73
	Gratuity provision	-	-
	Unrealised gain	-	-
	Unrealised loss	-	-
	Carried Forward loss	-	8.28

	Speculation loss	-	-
	Depreciation loss	-	-
<b>D</b>	Total	5.80	16.01
<b>E</b>	<b>Deferred Tax (Asset)/ Liability (D)</b>	<b>(1.46)</b>	<b>(4.03)</b>
	Long term capital loss	-	-
	Short term capital loss	-	-
<b>F</b>	Total	-	-
<b>G</b>	<b>Deferred Tax (Asset)/ Liability (F)</b>	-	-
<b>H</b>	Total Deferred Tax (Asset)/ Liability (C+E+G)	27.75	-3.97
	<b>Restated Closing Balance of Deferred Tax (Asset)/ Liability</b>	<b>27.81</b>	<b>(3.97)</b>
	<b>Deferred Tax (Assets)/ Liability as per Balance sheet of Previous Year</b>	<b>(3.97)</b>	-
	<b>Deferred Tax (Assets)/ Liability should be charged to Profit &amp; Loss</b>	<b>31.78</b>	<b>(3.97)</b>

Notes:

1. The aforesaid statement of tax shelters has been prepared as per the restated summary statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax return respective years stated above.
2. The effect of Tax Shelter i.e. short/excess provision for Income Tax has not been given effect in Annexure II - Restated Statement of Profit and Loss account. Provision for Income Tax given in Annexure II is based on the Income Tax Return/Audited Financial Statement only.
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**Annexure 33**

#### STATEMENT OF CAPITALIZATION

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	Pre Issue	Post Issue
	31-Mar-23	
<b>Debt</b>		
Short Term Debt	485.66	
Long Term Debt	2,665.67	
<b>Total Debt</b>	<b>3,151.33</b>	
<b>Shareholders' Fund (Equity)</b>		
Share Capital	510.00	
Reserves & Surplus	629.40	
Less: Miscellaneous Expenses not w/off	-	
<b>Total Shareholders' Fund (Equity)</b>	<b>1,139.40</b>	
<b>Long Term Debt/Equity</b>	<b>2.34</b>	
<b>Total Debt/Equity</b>	<b>2.77</b>	

Notes:

1. Short term debts represent the debts which are expected to be paid/payable within 12 months.
2. Long term debts represent debts other than Short term debts as defined above and also excludes installment of term loans repayable within 12 months grouped under short term debt.
3. The figures disclosed above are based on restated statement of assets and liabilities of the Company as at 31/03/2023.

**Annexure 34**

#### STATEMENT OF CONTINGENT LIABILITIES & COMMITMENTS

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	As at	
	31-Mar-23	31-Mar-22
Estimated Amount of contracts remaining to be executed on capital account	-	-
Guarantees provided by bank	-	-
Contingencies:	21.45	-

**Annexure 35**

## SEGMENT REPORTING

### (i) Business Segment

Based on the guiding principles given in Accounting Standard 17 (AS - 17) on Segment Reporting issued by ICAI, the Company has only one reportable Business Segment. The company is an integrated dry fruits conglomerate carrying out business in a variety of dry fruits across the commodity value chain. The primary approach at Proventus is to create expertise in a commodity class and build the revenue stream by moving across the value chain from origination to distribution. The fundamental cornerstone of the Company's approach is to capture the demand and supply stream by developing a strong base of sourcing and distribution.

### (ii) Geographical Segment

The Company activities / operations are confined in India and as such there is only one geographical segment. Accordingly, the figures appearing in these financial statements relate to the Company's single geographical segment.

**Annexure 36**

## CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximizes shareholder value. The company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders or issue new shares. The company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2022. The company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity shareholders.

**The Company's adjusted net debt to equity ratio is as follows.**

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Borrowings	3,151.33	671.72
Less: cash and cash equivalents	30.08	45.26
Adjusted net debt	3,121.25	626.46
<b>Total Equity</b>	1,629.40	873.90
<b>Adjusted net debt to adjusted equity ratio</b>	<b>1.92</b>	<b>0.72</b>

**Annexure 37**

## EVENTS AFTER REPORTING DATE

There are no such event occurred after Reporting Date.

**Annexure 38**

## COVID 19 NOTE

The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on 11 March 2020. On 24 March 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus. The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the period ended 31 October 2022 and has concluded that no there is no impact which is required to be recognized in the financial statements. Accordingly, no adjustments are required to be made to the financial statements.

**Annexure 39**

## STATEMENT ON FINANCIAL RISK MANAGEMENT

The company has in place comprehensive risk management policy in order to identify measure, monitor and mitigate various risks pertaining to its business. Along with the risk management policy, an adequate internal control system, commensurate to the size and complexity of its business, is maintained to align with the philosophy of the company. Together they help in achieving the business goals and objectives consistent with the company's strategies to prevent inconsistencies and gaps between its policies and practices. The Board of Directors/ committees reviews the adequacy and effectiveness of the risk management policy and internal control system. The company's financial risk management is an integral part of how to plan and execute its business strategies.

The company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk and
- Market risk

## A. Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure.

### i. Trade and Other Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

Summary of the company's exposure to credit risk by age of the outstanding from various customers is as follows:

#### Trade Receivable

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Unsecured		
-Considered good	583.38	-
-Considered doubtful	-	-
<b>Gross Trade Receivables</b>	<b>583.38</b>	<b>-</b>
Less: Provision for Doubtful debts	-	-
<b>Net Trade Receivables</b>	<b>583.38</b>	<b>-</b>

### ii. Cash and Bank Balances

The company held cash and cash equivalent and other bank balance of INR 30.08 lakhs at March 31, 2023 (March 31, 2022: INR 45.26 lakhs). The same are held with bank and financial institution counterparties with good credit rating. Also, company invests its short term surplus funds in bank fixed deposit which carry no market risks for short duration, therefore does not expose the company to credit risk.

## B. Market risk

Market risk is the risk that changes in market prices – such as interest rates and equity prices – will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The company's exposure to, and management of, these risks is explained below.

### i. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Variable rate borrowings	63.46	-
Fixed rate borrowings	1,901.73	-

Sensitivity:

A change of 100 basis points in interest rates would have following impact on profit after tax and equity –

(Amount in Rs. Lakhs, unless mentioned otherwise)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Interest rates – increase by 100 basis points *	4.75	-
Interest rates – decrease by 100 basis points *	(4.75)	-

\* Holding all other variables constant

### ii. Foreign Currency Risk

There are no foreign current transactions in the Company during all the periods under review, hence this risk is not applicable to the Company. (Amount in Rs. Lakhs, unless mentioned otherwise)

## STATEMENT OF ACCOUNTING RATIOS

Particulars	Numerator	Denominator	31st March 2023	31st March 2022	% change from March 31, 2022 to March 31, 2023	Reason for Major Deviation
a) Current Ratio	Current assets	Current liabilities	1.07	1.25	Comparable are not relevant in the case of this Company, since Company has incorporated on 23.12.2021 and Commercial operations were started in September 2022.	
(b) Debt-Equity Ratio	Total debt	Shareholder's equity	1.93	0.77		
(c) Debt Service Coverage Ratio	EBIDTA	Interest + Repayment of borrowings	4.67	NA		
(d) Return on Equity Ratio	Profit after tax	Average Shareholder's equity	0.51	(0.01)		
(e) Inventory turnover ratio	Cost of goods sold	Average inventory	10.60	NA		
(f) Trade Receivables turnover ratio	Net credit sales	Average trade receivables	41.65	NA		
(g) Trade payables turnover ratio	Net credit purchases	Average trade payable	12.92	NA		
(h) Net capital turnover ratio	Net sales	Average working capital	133.81	-		
(i) Net profit ratio	Profit after tax	Net sales	0.05	NA		
(j) Return on Capital employed	EBIT	Capital Employed	0.23	(0.01)		

Particulars	Numerator	Denominator	31st March 2022	31st March 2021	% change from March 31, 2021 to March 31, 2022	Reason for Major Deviation
a) Current Ratio	Current assets	Current liabilities	1.25	NA , Since Company has been incorporated in December 2021, Last year Comparable are not available.		
(b) Debt-Equity Ratio	Total debt	Shareholder's equity	0.77			
(c) Debt Service Coverage Ratio	EBIDTA	Interest + Repayment of borrowings	NA			
(d) Return on Equity Ratio	Profit after tax	Average Shareholder's equity	(0.01)			
(e) Inventory turnover ratio	Cost of goods sold	Average inventory	NA			
(f) Trade Receivables turnover ratio	Net credit sales	Average trade receivables	NA			
(g) Trade payables turnover ratio	Net credit purchases	Average trade payable	NA			
(h) Net capital turnover ratio	Net sales	Average working capital	-			
(i) Net profit ratio	Profit after tax	Net sales	NA			
(j) Return on Capital employed	EBIT	Capital Employed	(0.01)			

### OTHER FINANCIAL INFORMATION

The accounting ratios derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

(In Lakhs)

Particulars	Fiscal 2023	Fiscal 2022
Basic earnings per share <sup>1</sup> (in ₹)	13.50	(2.52)
Diluted earnings per share <sup>2</sup> (in ₹)	13.50	(2.52)
EBITDA <sup>3</sup> (in ₹ lakhs)	1,214.07	(15.76)
Net worth <sup>4</sup> (in ₹ lakhs)	1,629.40	873.90
Return on net worth <sup>5</sup> (%)	39.35%	(1.35%)
Net asset value per Equity Share <sup>6</sup> (in ₹)	22.34	9.70

Notes:

- 1) *Basic Earnings per Equity Share (₹) = Restated profit for the year divided by Weighted average number of equity shares outstanding during the year, read with note 1 above*
- 2) *Diluted Earnings per Equity Share (₹) = Restated profit for the year divided by Weighted average number of diluted equity shares outstanding during the year, read with note 1 above*
- 3) *Earning before interest, tax, depreciation and amortisation (EBITDA) = Restated profit/(loss) for the respective year + tax expenses + finance costs + depreciation and amortisation -Profit / (loss) on Sale of Fixed Assets*
- 4) *'Net worth': Share capital and other equity less capital reserves. Net worth has been computed as a sum of Equity share capital and other equity less capital reserves.*
- 5) *Return on Net Worth (%) = Restated profit for the year divided by Net worth at the end of the period/year*
- 6) *Net Asset Value per Equity Share = Net worth less preference share capital derived from Restated Financial Statements as at the end of the year divided by number of equity shares outstanding as at the end of year as per Restated Financial Statements.*
- 7) *The figures disclosed above are based on the Restated Financial Statements.*

(The remainder of this page is intentionally left blank)

### FINANCIAL INDEBTEDNESS

Set forth below is a brief summary of all borrowings of our Company together with a brief description of certain significant terms of such financing arrangements. As on May 31, 2023 our Company's outstanding borrowing is ₹ 3,133.12 Lakhs comprising of secured loan of ₹ 1,854.76 lakhs and unsecured loan of ₹ 1,278.36 Lakhs the details of which are set out below:

#### A. SECURED BORROWING

Type of Loan	Sanctioned amount (₹ in lakhs)	Amount outstanding as of May 31, 2023 (₹ in Lakhs)	Rate of Interest (% p.a.)	Tenor/ Period	Purpose	Repayment Schedule	Security Provided
<b>Term Loan Limit</b>							
Kotak Mahindra Bank Limited -Term Loan	2,000.00	1,824.56	18.00 (Fixed)	60 months	For purchase of CRF Unit from Cosmic Ferro Alloys Limited	Principal shall be repaid by way of 57 equal Instalments starting from 4 <sup>th</sup> month following the month of first disbursement of the Term Loan.	<ul style="list-style-type: none"> <li>Personal Guarantee of Pawan Kumar Tibrewalla, Aditya Vikram Birla, and Purvi Birla</li> <li>Please refer to note 1 for collateral securities</li> </ul>
ICICI Bank Limited - Car Loan	7.00	6.82	8.90 (Fixed)	60 months	For purchase of Hyundai - Aura	Principal shall be repaid by way of 60 equal Instalments	None
<b>Working Capital Limit</b>							
Kotak Mahindra Bank Limited - Drop-line overdraft facility	200.00	23.28	13.10% to be charged on the applicable REPO Rate	One year	Working Capital	Repayable on demand	<ul style="list-style-type: none"> <li>Personal Guarantee of Mr. Pawan Kumar Tibrewalla, Mr. Aditya Birla, and Ms. Purvi Aditya Birla</li> <li>Please refer to note 1 for collateral securities</li> </ul>

#### Note 1: Security Details of the above mentioned loans:

Sr. No.	Collateral Details
1.	Factory Land and Building located at Mouza: Ajabnagar, J.L No: 82, R.S tt LR Plot Nos: 405, 404, 379,378, 380, 381, 382, 383, 395, 396, 393, 394, 397, 403, 391, 406, and 402. Mouza: - Paltagarh, J.L No: 83 R.S a L.R Plot No: 485, At Village - Ajabnagar, P .0: Molla Simla, District: Hooghly Pin: 712 223 Under Baruipara Paltagrah Gram Panchayat owned by Cosmic CRF Limited.
2.	Plant and Machinery located at aforesaid location owned by Cosmic CRF Limited.
3.	Personal Guarantee of Pawan Kumar Tibrewalla, Aditya Vikram Birla, and Purvi Birla

#### Restrictive Covenants under the Secured Loans:

The borrower shall not without the prior consent of the bank:

- deal with or dispose of any interest in the assets or part thereof create or attempt to create a charge, lien, any further security interest or encumbrance of any kind whatsoever over the said assets

- receive, compound or realise any of the said debts nor do anything whereby the recovery of the same may be impeded, delayed or prevented
- create any charge or mortgage, lien or any other encumbrance upon or over the same or nay part thereof except in favour of the bank nor suffer any such charge, mortgage, lien or any other encumbrance or any attachment or distress to affect the same or any part thereof nor do or allow any thing that may prejudice the security
- change its exiting shareholding pattern
- give effect to an event that changes the control of the borrower or the guarantor or changes the capital structure of the borrower or changes the general nature of the business of the borrower.
- declare dividends or distribute profits except when the principal and interest are paid to the bank regularly
- withdraw monies brought in by the promoters and directors or relatives of the promoters or directors of the borrower
- include on it its board of a promoter or director of a company which has been identified as a wilful defaulter by the RBI and CIBIL or by any other government agency from time to time, in case the borrower's board contains a promoter or director who is a willful defaulter, the borrower shall immediately on becoming aware of the same take expeditious and effective steps for removal of such person
- take any action, proceedings or steps with respect to winding up, reorganization, compromise, arrangement, appointment of a liquidator or any other analogous proceedings in respect of the borrower
- amalgamate the borrower with any other body corporate or any other body corporate with the borrower
- sell, assign, transfer, mortgage, pledge, hypothecate, let or otherwise deal with or part with the possession of the machinery or create any interest of any third party in the same in the agreement or attempt to do so or create or allow to be created any lien upon the said machinery
- make investments/advances or deposit amounts with any other concern
- enter into any borrowing agreement with any other bank/Financial Institution/ Company
- undertake guarantee or obligations on behalf of any other company
- change the composition of companies Board of Directors
- make any reference to Corporate Debt Restructuring Cell (CDR), BIFR and to any other statutory body by whatever name called constituted to restructure the borrower or its debt, rehabilitate or reconstitute the borrower and its management
- initiate any action to restructure or reschedule the debts of the borrower with any of its lenders
- create charges on any or all of its properties or assets including uncalled capital
- effect any change in the company's capital structure; in all cases of term loans, where a condition prohibiting disinvestments by promoters of their quota in the equity of the borrower company, without the prior approval of the Bank, all the promoters of the company should furnish an undertaking on the lines specified for this purpose.
- enter into borrowing arrangement either secured or unsecured with any other bank, financial institution, company or otherwise or accept deposits apart from the arrangement indicated in the funds flow statements submitted to the Bank from time to time and approved by the Bank.
- change the practice with regard to remuneration of directors by means of ordinary remuneration or commission, scale of sitting fees, etc.
- permit any transfer of the controlling interest or make any drastic change in the management set- up.
- undertake any new project, implement any scheme of expansion or acquire fixed assets except those indicated in the funds flow statement submitted to the Bank from time to time
- invest by way of share capital in or lend or advance funds to or place deposits with any other concern (including group companies); normal trade credit or security deposits in the normal course of business or advances to employees can, however, be extended;
- undertake any guarantee obligation on behalf of any other company (including group companies);
- enter into any contractual obligation of a long term nature or affecting the company financially to a significant extent;
- remove or take the hypothecated assets outside the territorial borders of the state in which the same have been registered on a permanent basis or for a continuous period of more than 60 days
- undertake or permit any merger, demerger, consolidation, reorganization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction including creation of subsidiary
- change the constitution of the company, partnership or LLP as the case may be.

## **B. UNSECURED BORROWINGS**

Our Company has availed the following unsecured loans as on May 31, 2023, the details of which are set out below:

(₹ in lakhs)

<b>Name of the lender</b>	<b>Amount outstanding as on May 31, 2023</b>	<b>Terms and Condition</b>
Agarwalla Udyog Private Limited	178.62	
Anandraj Developers Private Limited	10.89	
AV Real Estate Private Limited	28.78	- Repayable after 36 months
AVB Entech Private Limited	26.01	- Interest 9% p.a. payable yearly
Allnew Estate Private Limited	50.84	- Unsecured
Lifetime Mercantile Private Limited	113.73	
Samskar Financial Services Private Limited	81.39	
Swapnali Trade Commerce Private Limited	623.12	
Swastick Investment Management Private Limited	164.99	
<b>Grand Total :</b>	<b>1,278.36</b>	

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS**

*You should read the following discussion in conjunction with our restated financial statements attached in the chapter titled "Financial Information of the Company" beginning on page 145. You should also read the section titled "Risk Factors" on page 23 and the section titled "Forward Looking Statements" on page 17 of this RHP, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated financial Statements.*

*Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditor which is included in this RHP under "Financial Statements". The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.*

### **Business Overview**

Our Company was incorporated on December 21, 2021 as 'Cosmic CRF Limited', a public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the Deputy Registrar of Companies, Central Registration Centre. The corporate identification number of our Company is U27100WB2021PLC250447. Subsequently, our Company executed a business transfer agreement with Cosmic Ferro Alloys Limited on January 19, 2022, with a closing date of March 31, 2022, which was extended *vide* an Addendum to the Business Transfer Agreement dated August 26, 2022 with a closing date of September 15, 2022 in order to purchase the CRF unit located at Ajabnagar, Molla Simla, Singur, - 712 223, West Bengal, India including all its assets, employees, liens and liabilities, on a going concern basis. The business was transferred to our Company w.e.f. September 7, 2022. We commenced our business operations on September 7, 2022. For further details, please see – "Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation" on page 125.

Our Company is a qualified and an RDSO approved supplier of cold rolled stainless sections to renowned wagon manufactures such as, Titagarh Wagons Limited, Hindusthan Engineering & Industries Limited, Melbrow Engineering Works Private Limited, Jindal Rail Infrastructure Limited, Allied Construction Engineers & Fabricators, *etc.* In addition to this, our Company also supplies cold rolled stainless sections to direct orders of the railways through tender procurement. As of March 31, 2023, the total order book value of our Company is ₹ 53,640.82 lakhs, out of which orders amounting to ₹ 13,566.33 lakhs have been executed and orders amounting to ₹ 40,074.48 lakhs are ongoing. Further, as of March 31, 2023, our Company has completed 25 orders for supply of cold rolled stainless sections and 23 order are ongoing.

Pursuant to the Business Transfer Agreement dated January 19, 2022, read with the Addendum to the Business Transfer Agreement dated August 26, 2022, our Company acquired the CRF unit of Cosmic Ferro Alloys Limited. The purchase included a manufacturing unit in West Bengal spread over an area of approximately 3.82 acres together with plant, machineries, assets and liabilities, . The unit manufactures a range of cold rolled stainless sections, such as fabricated items for railway, coach & wagons, cold rolled formed items for wagons and coaches, cold rolled formed items for infra companies and EPC projects and products for roadways and national highway.

Our product portfolio largely consists of cold rolled stainless sections, such as fabricated items for railway, coach & wagons, cold rolled formed items for wagons and coaches, cold rolled formed items for infra companies and EPC projects and products for roadways and national highway. Over the years, we have offered cost effective and customized solutions in accordance with the standardized quality requirements of our customers who work in various sectors such as railway and the infrastructure sectors. Our Company manufactures products which are compliant with the stringent requirements prescribed by Research Design and Standards Organisation, which is an ISO 9001 research and development organisation under the Ministry of Railways of the Government of India, which functions as a technical adviser and consultant to the Railway Board, the Zonal Railways, the Railway Production Units, RITES, RailTel and Ircan International in respect of design and standardization of railway equipment and problems related to railway construction, operations and maintenance. Our products are also compliant with the additional quality control standards prescribed by our customers. Further, our business model provides customised solutions to our manufacturers and also manufacture innovate solution oriented products, such as our Research and Development division ("**R&D Division**") created new products for proto type wagons, such as CRF Section for bogie covered fly cement wagon and bogie open high sided with air breaks axle load wagon to run faster and made specially to be used in the dedicated freight corridor. Our R&D Division is equipped

with the necessary facilities to carry out all necessary trials to develop and devise products suitable to the different types of wagons manufactures by our customers or for catering to the infrastructure needs of our customers. Our team of experts employed in the R&D Division carry out various tests in our in-house R&D laboratory to innovate additional applications and solutions for our products and to manufacture customisable products for our customers which are also compliant with the customer quality requirements and regulatory standards. Our R&D Division is located in our manufacturing unit with the objective to implement a performance-oriented approach with the help of technologies developed in-house. With R&D Division in place, our Company ensures that the needs and demands of our customers suitable to their final products are effectively met.

### Financial Snapshot

For the year ending March 31, 2023 our total income as per Restated Financial Statements was ₹12,149.31 lakhs. Further, our profit after tax for the year ending March 31, 2023 as per Restated Financial Statements was ₹ 641.20 Lakhs.

(All amounts in ₹ Lakhs)

Key Financial Performance	March 31, 2023
Revenue from operations <sup>(1)</sup>	12,148.90
EBITDA <sup>(2)</sup>	1,214.07
EBITDA Margin <sup>(3)</sup>	9.99%
PAT	641.20
PAT Margin <sup>(4)</sup>	5.28%

Notes:

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

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

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

(4) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to Annexure 40 of Restated Financial Statements beginning on page 145 of this RHP.

### Factors Affecting our Results of Operations

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factors" beginning on page 23 of this RHP. Our results of operations and financial conditions are affected by numerous factors including the following:

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

### Discussion on Result of Operations

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the year ended March 31, 2023.

(All amounts in ₹ Lakhs)

Particulars	March 31, 2023	% of Total Income
Revenue from operations	12,148.90	99.997
Other income	0.41	0.003
<b>Total Income</b>	<b>12,149.31</b>	<b>100.00</b>
<b>Expenses:</b>		
Cost of materials Consumed	10,813.10	89.002
Changes In Inventories of Finished Goods, and Stock-In-Trade	(470.79)	(3.875)
Employee benefit expense	252.82	2.081
Manufacturing Expenses	157.09	1.293
Finance Cost	259.76	2.138
Depreciation and Amortization	86.33	0.711
Other expenses	183.02	1.506
<b>Total Expenses</b>	<b>11,281.33</b>	<b>92.856</b>
<b>Profit/(Loss) Before Exceptional and Extra Ordinary Item</b>	<b>867.98</b>	<b>7.144</b>
Exceptional Items	-	-
<b>Profit Before Tax</b>	<b>867.98</b>	<b>7.144</b>
<b>Tax Expense</b>		
Current tax	195.00	1.605
Deferred tax	31.78	0.262
<b>Profit/ (Loss) After Tax</b>	<b>641.20</b>	<b>5.278</b>

**Main Components of our Profit and Loss Account Revenue from operations:**

Revenue from operations mainly consists of revenue from sale of cold rolled stainless sections, such as fabricated items for railway, coach & wagons, cold rolled formed items for wagons and coaches, cold rolled formed items for infra companies and EPC projects and products for roadways and national highway.

**Other Income:**

Our other income primarily comprises of Interest on Deposit with Bank.

**Expenses:**

Company's expenses consist of Cost of raw material consumed, Changes in Inventories of Finished Goods, and Stock-in-Trade, Employee benefits expense, Manufacturing Expenses, Finance costs, Depreciation and amortization expenses and other expenses.

**Cost of material Consumed**

Cost of material consumed comprises of the cost of goods purchased like steel plates and coil.

**Changes In Inventories of Finished Goods, and Stock-In-Trade**

Changes in inventories comprises of increase/decrease in the stock of raw material and finished goods.

**Manufacturing Expenses:**

Our manufacturing expenses primarily comprises of stores consumed, job work charges, powers & fuel, packing & forwarding charges, hire & testing charges and other manufacturing expenses.

**Employee benefits expense:**

Our employee benefits expense primarily comprises of Salaries, wages & bonus expenses, Staff welfare expenses etc.

**Finance Costs:**

Our finance cost includes Interest expense on borrowings and bank charges.

**Depreciation and Amortization Expenses:**

Depreciation includes depreciation on Building, Plant and Equipment, Furniture & Fixtures, Vehicles, Office Equipment, and Computers.

**Other Expenses:**

Our other expenses consist of Advertisement & Sales Promotion, Carriage Outward, Electricity Charges, Insurance Premium, Legal, Consultancy & Professional Fees, Miscellaneous Expenses, Payment to Auditors, Printing & Stationery, Rates & Taxes, Rent, Repairs & Maintenance, Security Charges, Telephone & Internet and Travelling & Conveyances.

**Financial Performance Highlights for the year ended March 31, 2023 (Based on Restated Financial Statements)**

**Total Income:**

Total income for the period stood at ₹ 12,149.31 Lakhs. The total income consists of revenue from the sale of product and the other income.

**Revenue from Operations**

During the period, the net revenue from operation of our Company was ₹ 12,148.90 Lakhs. The main contribution to the revenue from operations is the sale of cold rolled stainless sections.

**Other Income:**

During the period, the other income of our Company stood at ₹ 0.41 Lakhs. The main components of the other income is interest received on bank deposit.

**Cost of raw material consumed**

Cost of raw material consumed comprises of the cost of goods consumed like steel plates and coil. During the year, the purchase of material of our Company stood at ₹10,813.10 Lakhs.

**Changes In Inventories of Finished Goods, and Stock-in-Trade**

During the year, Changes in Inventories of Finished Goods, and Stock-in-Trade stood at ₹ (470.79) Lakhs. The change is general in nature.

**Employee benefits expense:**

During the year, the employee benefit expenses of our Company stood at ₹252.82 Lakhs. The main components of the employee benefit expenses are Salaries, wages & bonus expenses and Staff welfare expenses.

**Manufacturing Expenses:**

During the year, the Manufacturing Expenses of our Company stood at ₹ 157.09 Lakhs. The main components of the manufacturing expenses are stores consumed, job work charges, powers & fuel, packing & forwarding charges, hire & testing charges and other manufacturing exp.

**Finance costs:**

During the period, the finance cost of our Company stood at ₹259.76 Lakhs. The main components of the Finance cost include interest paid on borrowing and other bank charges.

**Depreciation and Amortization Expenses:**

During the period, the depreciation and amortization charges of our Company stood at ₹ 86.33 Lakhs.

### Other Expenses:

During the period, the Other Expenses of our Company stood at ₹183.02 Lakhs. The main components are Carriage Outward, Insurance Premium, Legal, Consultancy & Professional Fees, Miscellaneous Expenses, Payment to Auditors, Printing & Stationery, Rent, Repairs & Maintenance, Security Charges, and Travelling & Conveyances.

### Restated profit after tax:

The Company reported Restated profit after tax for year of ₹ 641.20 Lakhs.

### Cash Flows

The table below summarizes our cash flows for the year ended March 31, 2023.

Particular	(₹ in lakhs) March 31, 2023
Net cash (used)/from operating activities	365.34
Net cash (used)/from investing activities	(2,714.67)
Net cash (used)/from financing activities	2,334.15
Cash and Cash equivalents at the beginning of the year	45.26
Cash and Cash equivalents at the end of the year	30.08

### Cash Flows from Operating Activities for the year ended March 31, 2023

Net cash inflow from operating activities in for the year ended March 31, 2023 was ₹ 365.34 lakhs. Our operating profit before working capital changes was ₹1,214.07 Lakhs, which was primarily adjusted by increase in inventories, trade receivables, short term loans and advances, other current assets, trade payables, other current liabilities and short term provisions.

### Cash Flows from Investment Activities for the year ended March 31, 2023

Net cash flow used in investing activities for the year ended March 31, 2023, was ₹2,714.67 lakh. This was primarily on account of purchase of business of CRF unit from Cosmic Ferro Alloys Limited.

### Cash Flows from Financing Activities

#### For the year ended March 31, 2023

Net cash inflow from financing activities for the year ended March 31, 2023, was ₹ 2,334.15 lakhs.

### Related Party Transactions

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relate to remuneration, loan, interest on loan, Service charges paid, purchase of raw material. For further details of related parties kindly refer chapter titled “Financial Statements” beginning on page 145 of this RHP.

### Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:

**An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

**1. Unusual or infrequent events or transactions**

There has not been any unusual trend on account of our business activity. Except as disclosed in this RHP, there are no unusual or infrequent events or transactions in our Company.

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section “*Risk Factors*” beginning on page 23 of the RHP, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. *Future changes in relationship between costs and revenues***

Other than as described in the sections “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 23, 106 and 182 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

**5. *Total turnover of each major industry segment in which our Company operates***

The Company is in the business of manufacturing of cold rolled stainless sections, such as fabricated items for railway, coach & wagons, cold rolled formed items for wagons and coaches, cold rolled formed items for infra companies and EPC projects and products for roadways and national highway. Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page 90 of this RHP.

**6. *Status of any publicly announced New Products or Business Segment***

Except as disclosed in the Chapter “*Our Business*” on page 106, our Company has not announced any new product or service.

**7. *Seasonality of business***

Our Company’s business is not seasonal in nature.

**8. *Dependence on single or few customers or suppliers***

The revenue of our company is dependent on a few limited numbers of customers. For details please refer the Chapters “*Our Business*” beginning on pages 106 of this RHP.

**9. *Competitive conditions***

Competitive conditions are as described under the Chapters “*Industry Overview*” and “*Our Business*” beginning on pages 90 and 106 respectively of this RHP.

**10. *Details of material developments after the date of last balance sheet i.e., March 31, 2023.***

After the date of last Balance sheet i.e., March 31, 2023, no material events have occurred which have a significant impact on the financial position of our Company except those as in ordinary course of business.

## CAPITALISATION STATEMENT

(In Lakhs)

Particulars	Pre Issue	Post Issue
	31-Mar-23	
<b>Debt</b>		
Short Term Debt	485.66	
Long Term Debt	2,665.67	
<b>Total Debt</b>	<b>3,151.33</b>	
<b>Shareholders' Fund (Equity)</b>		
Share Capital	510.00	
Reserves & Surplus	629.40	
Less: Miscellaneous Expenses not w/off	-	
<b>Total Shareholders' Fund (Equity)</b>	<b>1,139.40</b>	
<b>Long Term Debt/Equity</b>	<b>2.34</b>	
<b>Total Debt/Equity</b>	<b>2.77</b>	

Notes:

1. Short term debts represent the debts which are expected to be paid/payable within 12 months.
2. Long term debts represent debts other than Short term debts as defined above and also excludes installment of term loans repayable within 12 months grouped under short term debt.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at March 31, 2023.

## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or Stock Exchange against the Promoter in the last five financial years, including any outstanding action; or (v) Material Litigation (as defined below); involving our Company, Directors, Promoter and Group Companies.

Our Board, in its meeting held on February 25, 2023, determined that outstanding legal proceedings involving the Company, its Directors, Promoter and Group Companies: (a) where the aggregate amount involved, in such individual litigation exceeds 10% of the total revenue of our Company, as per last audited financial statements; or (b) where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in such single litigation individually may not exceed 1% of the total revenue of our Company as per the last audited financial statements, if similar litigations put together collectively exceed 10% of the profit after tax of our Company, or (c) litigations whose outcome could have a material impact on the business, operations, prospects or reputation of our Company, will be considered as material litigation (“**Material Litigation**”).

Our Board of Directors considers dues owed by our Company to the small scale undertakings and other creditors exceeding 25% of the trade payables for the last audited financial statements, as material dues for the Company. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on February 25, 2023. Further, for outstanding dues to any party which is a micro, small or a medium enterprise (“**MSME**”), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Statutory Auditors.

All terms defined in a particular litigation are for that particular litigation only.

#### **1. LITIGATION INVOLVING OUR COMPANY**

##### **i. Litigation against our Company**

###### *1. Criminal Proceedings*

Nil

###### *2. Actions taken by Statutory/Regulatory Authorities*

Nil

###### *3. Tax Proceedings*

Below are the details of pending tax cases involving our Company, specifying the number of cases pending and the total amount involved:

Particulars	Number of cases	Amount involved*
<i>Indirect Tax</i>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
GST	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<i>Direct Tax</i>		
Cases filed against our Company	Nil	Nil
Cases filed by our Company	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

\*To the extent quantifiable

4. *Other Material Litigations*

Nil

5. *Disciplinary action against our Company by SEBI or any stock exchange in the last five Fiscals*

Nil

6. *Legal Notices*

Nil

**ii. Litigation by our Company**

1. *Criminal Proceedings*

Nil

2. *Civil and other Material Litigations*

Nil

**2. LITIGATION INVOLVING OUR PROMOTER**

*Cases filed against our Promoter*

1. *Criminal Proceedings*

Nil

2. *Actions taken by Statutory/Regulatory Authorities*

Nil

3. *Tax Proceedings*

Below are the details of pending tax cases involving our Promoter, specifying the number of cases pending and the total amount involved:

*(₹ in lacs)*

<b>Particulars</b>	<b>Number of cases</b>	<b>Amount involved*</b>
<b>Indirect Tax</b>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
GST	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b>Direct Tax</b>		
Cases filed against our Promoter	Nil	Nil
Cases filed by our Promoter	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

*\*To the extent quantifiable*

4. *Other Material Litigations*

Nil

## 5. Legal Notices

A complaint dated May 5, 2023 was filed by Milan Ghosh, the *erstwhile* Director of our Company against our Promoter and Managing Director, Aditya Vikram Birla, with Securities and Exchange Board of India Limited, BSE Limited and other authorities (the “**Authorities**” and such complaint, the “**Complaint**”). The complainant in the Complaint alleged that his signature on the resignation letter dated November 22, 2022 was fake and forged as the signature affixed on the resignation letter was different from his original signature. In view of the above, he alleged that his resignation from our Company is unlawful. Our Promoter *vide* a letter dated May 9, 2023 replied to the Complaint by stating that the resignation letter was submitted with the RoC in compliance with Section 168 of the Companies Act, 2013 and was also placed before the meeting of the Board of Directors held on December 2, 2022 for their noting. Furthermore, our Promoter denied the allegation levied by the complainant that his signature was forged on the resignation letter and stated that the signature affixed on the resignation letter was identical to the signature that is present on the *erstwhile* Director’s PAN card and other official documents signed by the *erstwhile* Director. We have not received any further correspondence from the complainant in this regard.

### **Cases filed by our Promoter**

#### 1. Criminal Proceedings

Nil

#### 2. Other Material Litigations

Nil

### **Disciplinary action against our Promoter by SEBI or any stock exchange in the last five Fiscals**

As on date of this Red Herring Prospectus, no disciplinary action including penalty imposed by SEBI or stock exchanges has been initiated against our Promoter in the last five Fiscals including any outstanding action.

## 3. LITIGATION INVOLVING OUR DIRECTORS

### **Cases filed against our Directors**

#### 1. Criminal Proceedings

Nil

#### 2. Actions taken by Statutory/Regulatory Authorities

Nil

#### 3. Tax Proceedings

Below are the details of pending tax cases involving our Directors, specifying the number of cases pending and the total amount involved:

Particulars	Number of cases	Amount involved*
<i>Indirect Tax</i>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
GST	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<i>Direct Tax</i>		
Cases filed against our Director	Nil	Nil
Cases filed by our Director	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

\*To the extent quantifiable

3. *Disciplinary action by SEBI or any stock exchange in the last five Fiscals*

Nil

4. *Other Material Litigations*

Nil

6. *Legal Notices*

For details, please see – “*Litigation involving our Promoter - Cases filed against our Promoter – Legal Notices*” on page 191.

**Cases filed by our Directors**

1. *Criminal Proceedings*

Nil

2. *Other Material Litigations*

Nil

**4. LITIGATION INVOLVING OUR SUBSIDIARY**

As on date of this Red Herring Prospectus, our Company does not have a subsidiary.

**5. LITIGATION INVOLVING OUR GROUP COMPANY**

*Cases filed against our Group Companies*

1. *Criminal Proceedings*

Nil

2. *Actions taken by Statutory/Regulatory Authorities*

Nil

3. *Tax Proceedings*

Below are the details of pending tax cases involving our Group Companies, 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	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
GST	Nil	Nil
<b>Total</b>	Nil	<b>Nil</b>
<b>Direct Tax</b>		
Cases filed against our Group Companies	Nil	Nil
Cases filed by our Group Companies	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

\*To the extent quantifiable

4. *Disciplinary action by SEBI or any stock exchange in the last five Fiscals*

Nil

4. *Other Material Litigations*

Nil

7. *Legal Notices*

Nil

**Cases filed by our Group Companies**

3. *Criminal Proceedings*

Nil

4. *Other Material Litigations*

Nil

**6. OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS**

In terms of the Materiality Policy dated February 25, 2023, our Company has nil material creditor, as on date of this Red Herring Prospectus.

Details of amounts outstanding to small-scale undertakings and other creditors as on March 31, 2023, is as follows:

(₹ in lacs)

<b>Particulars</b>	<b>No. of Creditors</b>	<b>Amount</b>
Outstanding dues to small scale undertakings	01	95.99
Outstanding dues to other creditors	64	1,798.19
<b>Total outstanding dues</b>	<b>65</b>	<b>1,894.18</b>

Our Company does not have any material creditors as on date of this Red Herring Prospectus. For further details, refer to the section titled “*Financial Information*” on page 145 of this Red Herring Prospectus.

**7. MATERIAL DEVELOPMENT SINCE MARCH 31, 2023**

There have not arisen, since the date of the last financial statements disclosed in this Red Herring 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. For further details, please refer to the chapter titled “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on page 182 of this Red Herring Prospectus.

## **GOVERNMENT AND OTHER STATUTORY APPROVALS**

*We are required to obtain consents, licenses, registrations, permissions and approvals for carrying out our present business activities. Our Company has obtained the necessary material consents, licenses, permissions and approvals from the Government and various Government agencies required for our present business and carrying on our business activities. For details in connection with the regulatory and legal framework within which we operate, please refer the chapter “Key Industrial Regulations and Policies” on page 116 of this Red Herring Prospectus. The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities.*

*The following statements set out the details of licenses, permissions and approvals taken by our Company under various central and state laws for carrying out the business:*

### ***I. Issue related Approvals***

For the approvals and authorizations obtained by our Company in relation to the Issue, see “*Other Regulatory and Statutory Disclosures – Authority for the Issue*” on page 197 of this Red Herring Prospectus.

### ***II. Approvals from the Stock Exchange***

- a) Our Company has received an in-principle approval from BSE dated May 29, 2023 for listing of Equity Shares issued pursuant to the Issue.
- b) Our Company’s ISIN is **INE0ORA01015**

### ***III. General Approvals***

Certificate of Incorporation dated December 21, 2021 under the Companies Act, 2013 issued by Deputy Registrar of Companies, Central Registration Centre.

### ***IV. Tax Related Approvals***

- a) Our Company’s permanent account number issued by the Income Tax Department is AAJCC9916D.
- b) Our Company’s tax deduction and collection certificate dated December 21, 2021 issued by the Income Tax Department is CALC12890D.
- c) Our Company’s GST registration certificate dated August 11, 2022 issued by the Government of India is 19AAJCC9916D1ZF.
- d) Export Import code bearing number AAJCC9916D issued by Ministry of Commerce and Industry, Government of India.
- e) Letter dated September 7, 2022 issued by Regional Office, allotting code number 41000912880000999 under the Employees’ State Insurance Corporation under Employees’ State Insurance Act, 1948.
- f) Letter dated December 21, 2022 issuing code number WBPRB2542198000 under Employees’ Provident Fund and Miscellaneous Provisions Act, 1952.
- g) Udyog Aadhaar registration certificate dated June 23, 2022 bearing udyam registration number UDYAM-WB-10-0048831 issued by Ministry of Micro, Small & Medium Enterprises, Government of India.
- h) Certificate issuing legal entity identification number: 8945004Z2N9NE38IH982
- i) Professional tax registration certificate bearing number PR191009063686 and professional tax enrolment certificate bearing number PE192146399162 issued under the West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979.

## V. Business Related Approvals

As mentioned hereinabove, we require various approvals, licenses, registrations and permits to carry on our operations in India. Some of these may expire in the ordinary course of business and applications for renewal of such approvals are submitted in accordance with applicable procedures and requirements. An indicative list of the material approvals required by our Company for conducting our operations is provided below.

Sr. No.	Type of License/Approval	Issuing Authority	Reference / Registration / License No.	Date of Issue/Renewal	Valid up to
1.	Factories license	Directorate Of Factories, Government Of West Bengal	Licence No-19017	05/11/2022	December 31, 2024
2.	Trade license	Gram Panchayat, Ajabnagar	1687	September 9, 2022	September 9, 2025
3.	Certificate of registration issued under Section 7 of the Contract Labour (Regulation & Abolition) Act, 1970	Government of West Bengal	CNR13/CLR/000042	December 7, 2022	December 6, 2023
4.	Certificate of enlistment	Licence Department, Kolkata Municipal Corporation	0049 9401 8451	January 4, 2022	March 31, 2024
5.	Certificate issued for certifying that our Company is compliant with quality management system of ISO 9001 :2015	Cotecna Inspection India Private Limited	Certificate No: IN/2022/0070	September 26, 2022	December 14, 2025
6.	RDSO Registration as vendor	Research Designs & Standards Organisation	MW/CRF/Cosmic CRF	February 6, 2023	-
7.	Certificate of Registration of generating plants – 1,25.00 KVA AC Generator	Section 5(4) of the Bengal Electricity Duty Act, 1935	13-836	February 11, 2023	February 9, 2026
8.	Fire License	West Bengal Fire Services Act, 1950	FL0125182230200124	March 28, 2023	March 27, 2024

## VI. Intellectual Property Related Approvals

As on date of this Red Herring Prospectus, our Company has made the following application for registering our trademark:

Sr. No.	Particulars	Trade Mark Application	Date of Application	Class	Status
1.		5600032	September 7, 2022	06	Objected^.
2.		5600031	September 7, 2022	06	Objected^.

^Our Company has filed a reply to the objection received.

## VII. Licenses/ Approvals for which applications have been made by our Company and are pending:

Our Company has made applications which are pending as of date of filing of this Red Herring Prospectus:

Sr. No.	Type of License/Approval	Issuing Authority	Application No.	Date of Application
1.	Consent to operate <sup>^</sup>	West Bengal Pollution Control Board	-	September 14, 2022

<sup>^</sup> The Company is already having the Consent to Operation for its manufacturing facility, and has applied for the change of name in the same.

**VIII. Licenses / approvals which have expired and for which renewal applications have not been made by our Company.**

Nil

**IX. Licenses / Approvals which are required but not yet applied for by our Company:**

As on the date of this Red Herring Prospectus, our Company has not commenced the civil and construction work in relation to the capital expenditure proposed to be undertaken by utilizing a portion of the Net Proceeds. We will apply for all such necessary approvals that we may require at the relevant stages. Set out below are the details of the requisite approvals and the stages at which the approvals will be required by our Company in relation to the construction at our existing manufacturing unit as follows:

S. No.	Name of the authority	Stage at which the approval is required
1.	Building plan approval	Before construction
2.	Fire scheme approval	Within 90 days of the building plan approval
3.	Fire no objection certificate	Before occupancy certificate
4.	Completion certificate	After work completion

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **AUTHORITY FOR THE ISSUE**

The Board of Directors has, pursuant to a resolution passed at its meeting held on February 25, 2023, read with the resolution passed by the Board of Directors in their meeting held on June 5, 2023, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

The shareholders of the Company have, pursuant to a special resolution passed in EGM held on March 20, 2023, authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

Our Company has received an In-Principle Approval letter dated May 29, 2023 from BSE for using its name in this Red Herring Prospectus for listing our shares on the SME Platform of BSE. BSE is the Designated Stock Exchange for the purpose of this Issue.

### **PROHIBITION BY SECURITIES MARKET REGULATORS**

Our Company, our Promoter, our Directors and our Promoter's Group, person(s) in control of the promoter or issuer, have not been prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court.

### **CONFIRMATIONS**

1. Our Company, our Promoter, Promoter's Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
2. Except for Binod Kumar Khaitan who is a director on the board of directors of Vachi Commodities & Derivatives Private Limited which is engaged in business activities associated with securities markets, none of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI in the past five years. There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoter or directors in the preceding five years.

### **PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY**

Neither our Company, nor our Promoter, nor the relatives (as defined under the Companies Act) of our Promoter, nor Group Companies/Entities have been identified as wilful defaulters or Fraudulent Borrowers by the RBI or any other governmental authority.

### **ELIGIBILITY FOR THE ISSUE**

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our company, nor its Promoter, promoter group or directors are debarred from accessing the capital market by the Board.
- Neither our Promoter, nor any directors of our company is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- Neither our Promoter nor any of our directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoter, relatives (as defined under the Companies Act, 2013) of our Promoter nor our directors, are Willful Defaulters or a fraudulent borrower.

Our Company is eligible for the Issue in accordance with the Regulation 229 (1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, whereby, an issuer whose post issue paid-up paid up equity share capital is less than ten crore rupees. Our Company shall issue shares to the public and has proposed to list the same on the Small and Medium Enterprise Exchange ("**SME Exchange**", in this case being the SME Platform of BSE Limited i.e. BSE SME).

As per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of BSE in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations.

We confirm that:

1. In accordance with regulation 260 of the SEBI (ICDR) Regulations, this Issue has been 100% underwritten and shall not restrict to the minimum subscription level. The BRLM shall underwrite at least 15% of the total Issue size. For further details pertaining to underwriting please refer to chapter titled "*General Information*" beginning on page 53 of this Red Herring Prospectus.

2. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
3. In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, the Book Running Lead Manager shall submit a copy of this Red Herring Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus.
4. In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement dated May 11, 2023 with the BRLM and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the market making arrangement see chapter titled “*General Information*” beginning on page 53 of this Red Herring Prospectus.
5. The Post Issue paid up capital of the company will be less than ₹ 25 Crore.
6. In case the issuer company has not completed its operation for three years then the company/partnership/proprietorship/LLP should have been funded by Banks or financial institutions or Central or state government or the group company should be listed for at least two years either on the main board or SME board of the Exchange – Our Company has received a working capital and term loan from Kotak Mahindra Bank Limited.
7. The issuer company or the firm or the firm which have been converted into the company should have combined positive cash accruals (earnings before depreciation and tax) in any of the year out of last three years and its net worth should be positive. Further, the details of the net tangible assets have been provided below:

*(Amount in Lakhs)*

Particulars	March 31, 2023
Net Worth	1,629.40
Cash Accruals	954.31
Net Tangible Assets	1,628.64

- (i) *Net Worth has been computed as the aggregate of share capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.*
- (ii) *Cash accruals has been defined as the Earnings before depreciation and tax from operations.*
- (iii) *Net Tangible Assets has been calculated as sum of Assets less Intangible Assets, Deferred Tax Assets, Non-Current Liabilities and Current Liabilities.*
8. The Company will mandatorily facilitate trading in demat securities and has entered into agreement with both the depositories.
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 that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
11. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
12. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the company.
13. Our Company has a website i.e. [www.cosmiccrf.com](http://www.cosmiccrf.com)

**Other Disclosures:**

- 1) There are no material regulatory or disciplinary action initiated by a stock exchange or regulatory authority in the past one year in respect of Promoter/promoting company(ies), group companies, companies promoted by the Promoter/promoting company(ies) of the applicant company in the Red Herring Prospectus.
- 2) There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, Promoter/promoting company(ies), group companies, companies promoted by the Promoter/promoting company(ies) during the past three years. An auditor's certificate will be provided by the issuer to the exchange, in this regard.
- 3) We have Disclosed the details of the applicant, Promoter/promoting company(ies), group companies, companies promoted by the Promoter/promoting company(ies) litigation record, the nature of litigation, and status of litigation, For details, please refer the chapter “*Outstanding Litigation & Material Developments*” on page no. 189 of this Red Herring Prospectus.
- 4) We have disclosed all details of the track record of the directors, the status of criminal cases filed, if any, or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted

with serious crimes like murder, rape, forgery, economic offences etc., if any. For Details, refer the chapter “*Outstanding Litigation & Material Developments*” on page no. 189 of this Red Herring Prospectus.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Draft Red Herring Prospectus/ this Red Herring Prospectus/ the Prospectus have been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the SME platform. BSE is the Designated Stock Exchange.
- Our Company has entered into an agreement dated February 10, 2023 with NSDL and agreement dated February 3, 2023, with CDSL for dematerialization of its Equity Shares already issued and proposed to be issued.
- The entire pre-Issue capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The entire Equity Shares held by the Promoter are in dematerialized form.
- Our Company has made 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 – Not required as the object of Issue is purchase of plant and machinery, funding of working capital requirements and prepayment or repayment of all or a portion of certain unsecured loans availed by our Company, general corporate purpose and issue expenses, for details, please refer the chapter “*Objects of the Issue*” on page 73 of this Red Herring Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

We further confirm that we shall be complying with all other requirements as laid down for such offer under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### **SEBI DISCLAIMER CLAUSE**

**“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS RED HERRING 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 OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS RED HERRING PROSPECTUS 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 COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, HORIZON MANAGEMENT PRIVATE LIMITED HAS FURNISHED TO STOCK EXCHANGE/SEBI, A DUE DILIGENCE CERTIFICATE DATED JUNE 5, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THIS RED HERRING 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 BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THIS RED HERRING PROSPECTUS.**

**ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, KOLKATA, IN TERMS OF SECTION 26, 30 AND SECTION 32 OF THE COMPANIES ACT, 2013.**

#### **DISCLAIMER CLAUSE OF THE BSE**

The copy of the Draft Red Herring Prospectus has been submitted with BSE. Post scrutiny of the Draft Red Herring Prospectus, the Disclaimer Clause as intimated by BSE is provided below:

*“BSE Limited (“BSE”) has vide its letter dated May 29, 2023, given permission to "Cosmic CRF limited" to use its name in the Offer Document as the Stock Exchange on whose Small and Medium Enterprises Platform ("SME platform") the Company's securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE does not in any manner:*

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or*
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or*
- iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.*
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.*
- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.*
- vi. The Company has chosen the SME platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and Courts exclusively situated in Mumbai.”*

#### **DISCLAIMER FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER**

Our Company and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at their own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Agreement entered between the BRLM (Horizon Management Private Limited) and our Company on April 21, 2023 and the Underwriting Agreement dated May 11, 2023 entered into between the Underwriters and our Company and the Market Making Agreement dated May 11, 2023 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entity, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entity, and our affiliates or associates, for which they have received and may in future receive compensation.

Note:

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and BRLM and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company and will not Issue, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriter and BRLM and their respective directors, officers, agents, affiliates and representatives accept no

responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our company.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub-account registered with SEBI which is a foreign corporate or Foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Red Herring Prospectus does not, however, constitute an invitation to subscribe to Equity Shares Issue hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession the Red Herring Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Kolkata only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Red Herring Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **FILING OF DRAFT RED HERRING PROSPECTUS/RED HERRING PROSPECTUS/PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES**

The Draft Red Herring Prospectus was not required to be filed with SEBI, accordingly SEBI did not issue any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 and pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations, a copy of this Red Herring Prospectus/Prospectus is being furnished to the Board and has been filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of this Red Herring Prospectus/Prospectus, has been filed with the SME Platform of BSE Limited, where the Equity Shares are proposed to be listed.

A copy of this Red Herring Prospectus, along with the material contracts and documents has also be filed with the RoC under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

#### **LISTING**

Application is to be made to the SME Platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our Company has received an In-Principle Approval letter dated May 29, 2023 from BSE for using its name in this offer document for listing our shares on the SME Platform of BSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the BSE, the Company shall refund through verifiable means the entire monies received within Four days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four day after the company becomes liable to repay it the company and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within Six Working Days from the Issue Closing Date.

## **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 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

## **CONSENTS**

The written consents of Promoter, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, Advisors to the Issue, the BRLM to the Issue, Registrar to the Issue, Banker to the Issue, Sponsor Bank, Market Maker and Underwriters to act in their respective capacities have been obtained.

Above consents will be filed along with a copy of this Red Herring Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Red Herring Prospectus/Prospectus for registration with the ROC.

Our Company has received written consent dated April 21, 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 Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated April 20, 2023 on our restated financial information; and (ii) its report dated April 21, 2023 on the statement of special tax benefits in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Further, such consents and reports have not been withdrawn up to the time of delivery of this Red Herring Prospectus.

## **EXPERT OPINION**

Our Company has received written consent dated April 21, 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 Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated April 20, 2023 on our restated financial information; and (ii) its report dated April 21, 2023 on the statement of special tax benefits in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Except as stated above, our Company has not obtained any expert opinion.

#### **PREVIOUS PUBLIC OR RIGHTS ISSUE**

Our Company has not made public issue in the past. For details of right issue please refer chapter titled “*Capital Structure*” beginning on page no. 63 of this Red Herring Prospectus.

#### **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION**

We have not made any previous public Issue. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

#### **CAPITAL ISSUE DURING THE LAST THREE YEARS**

For details of the capital issued in past three years, please refer chapter titled “*Capital Structure*” beginning on page no. 63 of this Red Herring Prospectus.

#### **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BRLM**

This is the first issue of the Book Running Lead Manager, thus, the above disclosure is not applicable.

#### **PERFORMANCE VIS-A-VIS OBJECTS**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 63 of this Red Herring Prospectus, our Company has not undertaken any previous public or rights issue. None of the Group Companies/ Entities or associates of our Company are listed on any stock exchange.

#### **STOCK MARKET DATA FOR OUR EQUITY SHARES**

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

#### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchange, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Manager shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the Syndicate Member or the Sponsor Bank, as the case may be, where the Application Form was submitted

by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the Syndicate Member, as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and complied with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Except as mentioned in “*Litigation involving our Promoter - Cases filed against our Promoter – Legal Notices*” on page 191, our Company has not received any complaints as on the date of this Red Herring Prospectus.

#### **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 (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) 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.

Our Company has constituted Stakeholders Relationship Committee as follows:

<b>Name of the Directors</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Binod Kumar Khaitan	Chairperson	Independent Director
Purvi Birla	Member	Whole Time Director
Aditya Vikram Birla	Member	Managing Director

Our Company has appointed Anita Kumari Gupta as the Company Secretary and Compliance Officer, who may be contacted in case of any pre-issue or post-issue related problems at the following address:

19, Monohar Pukur Road,  
2<sup>nd</sup> Floor, Kolkata – 700 029  
West Bengal, India.  
**Telephone:** +91 810 086 2182  
**E-mail:** cs@cosmiccrf.com

Except as mentioned in “*Litigation involving our Promoter - Cases filed against our Promoter – Legal Notices*” on page 191, till date of this Red Herring Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

#### **FEES PAYABLE TO BRLM TO THE ISSUE**

The total fees payable to the BRLM will be as per the Memorandum of Understanding for Initial Public Offer, a copy of which is available for inspection at the Registered Office of our Company.

#### **FEES PAYABLE TO THE REGISTRAR TO THE ISSUE**

The fees payable to the Registrar to the Issue, for processing of Bidding application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Agreement between the Company and the Registrar to the Issue.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, communication expenses etc. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post or email.

#### **FEES PAYABLE TO OTHERS**

The total fees payable to the Sponsor Bank, Legal Advisor, Statutory Auditor and Peer Review Auditor, Market maker and Advertiser, etc. will be as per the terms of their respective engagement letters.

#### **COMMISSION PAYABLE TO SCSBS**

1. *Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:*  
*Portion for RIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST) Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)*  
*^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).*

2. *The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.*
3. *Registered Brokers, will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.*
4. *SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.*
5. *Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.*
6. *The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.*

#### **PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 63 of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

#### **LISTED VENTURES OF PROMOTER**

There are no listed ventures of our Company as on date of filing of this Red Herring Prospectus.

#### **OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS**

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Red Herring Prospectus.

#### **CAPITALIZATION OF RESERVES OR PROFITS DURING LAST 5 (FIVE) YEARS**

Except as disclosed under chapter titled “*Capital Structure*” on page 63 of this Red Herring Prospectus, our Company has not capitalized Reserves or Profits during last five years.

#### **REVALUATION OF ASSETS DURING THE LAST FIVE (5) YEARS**

Our Company has not revalued its assets during last five years.

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

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

## SECTION VIII – ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Red Herring Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications, and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, BSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in accordance with the Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public Issues by retail individual investors through intermediaries (Syndicate member, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).*

*Further, vide the said circular, Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.*

#### **Authority for the Issue**

The present Public Issue of 18,22,000 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on February 25, 2023, read with the resolution passed by the Board of Directors in their meeting held on June 5, 2023, and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on March 20, 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 shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including in respect of the right to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to Section titled “*Description of Equity Shares and terms of the Articles of Association*” beginning on Page No. 244 of the Red Herring Prospectus.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to chapter titled “*Dividend Policy*” beginning on Page No. 144 of the Red Herring Prospectus.

#### **Face Value, Issue Price, Floor Price and Price Band**

The face value of each Equity Share is ₹ 10/- and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share (“**Floor Price**”) and at the higher end of the Price Band is ₹ [●] per Equity Share (“**Cap Price**”).

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in all English editions of Business Standard (a widely circulated English national daily newspaper), all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper), Bengali editions of Sukhabar (a widely circulated Bengali Regional language daily newspaper) (Bengali being the regional language of West Bengal, where our Registered Office is located), at least two working days prior to the Bid / Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on its websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.

The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled “*Basis of Issue Price*” beginning on page 84 of this Red Herring Prospectus.

### **Compliance with SEBI (ICDR) Regulations**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 and the Memorandum and Articles of Association of our Company.

### **Minimum Application Value, Market Lot and Trading Lot**

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Red Herring Prospectus:

- Tripartite agreement among the NSDL, our Company and Registrar to the Offer dated February 10, 2023.
- Tripartite agreement among the CDSL, our Company and Registrar to the Offer dated February 3, 2023.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of an issuer shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of 400 Equity Shares and the same may be modified by the BSE Limited from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of 400 Equity Shares subject to a minimum allotment of 400 Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Number of Allottees**

The minimum number of allottees in the Issue shall be 50 shareholders. In case, the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

### **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

### **Jurisdiction**

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, —U.S. personal (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being

issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agent of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Issue capital of our Company, Promoter's minimum contribution as provided under the chapter titled "*Capital Structure*" on page 63 of this Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer chapter titled "*Description of Equity Shares and terms of the articles of association*" on page 244 of this Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

### **Withdrawal of the Issue**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment (ii) the final RoC approval of the Red Herring Prospectus after it is filed with the RoC. If our Company in consultation with BRLM withdraws the Issue after the Issue Closing

Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

## ISSUE PROGRAM

Event	Indicative Dates
<b>Bid/Issue Opening Date</b>	Wednesday, June 14, 2023
<b>Bid/Issue Closing Date</b>	Friday, June 16, 2023
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or before Thursday, June 22, 2023
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account</b>	On or before Friday, June 23, 2023
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or before Friday, June 23, 2023
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or before Monday, June 26, 2023

*\*\*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.*

The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation on our Company the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of the Equity Shares on the Stock Exchange are taken within six Working Days of the Bid/Issue Closing Date or such other period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Issue Period by our Company in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchange. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

The SEBI is in the process of streamlining and reducing the post Issue timeline for initial public offerings. Any circulars or notifications from the SEBI after the date of the Red Herring Prospectus may result in changes to the above- mentioned timelines. Further, the Issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit report of compliance with T+6 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.**

### Submission of Bids

#### **Bid/Issue Period (except the Bid/Issue Closing Date)**

Submission and Revision in Bids: Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))

#### **Bid/Issue Closing Date**

Submission and Revision in Bids: Only between 10.00 a.m. and 3.00 p.m. IST

#### **On the Bid/Issue Closing Date, the Bids shall be uploaded until:**

- i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by

obtaining the same from the Stock Exchange. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Member, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date. Any time mentioned in this Red Herring Prospectus is Indian Standard Time. Bidders are cautioned that, in the event, large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company or any Syndicate Member shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book *vis-a-vis* data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchange may be taken. Our Company in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

**In case of any revision to the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Member, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

#### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the —stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

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 ₹ 1,00,000 (Rupees One Lac only) 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 issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## **Migration to Main Board**

*Our company may migrate to the main board of BSE Limited at a later date subject to the following:*

- a. If the Paid-up Capital of our Company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), our Company shall apply to BSE Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

*OR*

- b. If the paid-up Capital of our company is more than ₹ 10 Crores but below ₹ 25 Crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

*Any company desiring to migrate to the Main board from the SME Board within two years of listing on SME platform of BSE Limited has to fulfil following conditions:*

- a. The increase in post issue face value capital beyond ₹ 25 crore should arise only because of merger/acquisition or for expansion purposes.*
- b. The company should have a minimum turnover of ₹ 100 crore as per last audited financials and market capitalization of ₹ 100 crore.*
- c. The company should have a minimum profit before tax of ₹ 10 crore for two years out of three preceding years.*
- d. There should not be any action against the company by any regulatory agency at the time of application for migration.*

## **Market Making**

The shares issued and transferred through this Issue are proposed to be listed on the SME Platform of BSE Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the SME Platform of BSE Limited. For further details of the market making arrangement please refer to chapter titled “*General Information*” beginning on page 53 of this Red Herring Prospectus.

## **Arrangements for disposal of odd lots**

The trading of the Equity Shares will happen in the minimum contract size of 400 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Limited.

## **Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting**

Except for lock-in of the pre-Issue Equity Shares and Promoter’s minimum contribution in the Issue as detailed in the chapter “*Capital Structure*” beginning on page 63 of this Red Herring 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. The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

## **Application by Eligible NRIs, FPIs or VCFs registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is

not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“**FDI**”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **Option to receive securities in Dematerialized Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Further, it is mandatory for the investor to furnish the details of his/her depository account, & if for any reason, details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

#### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debentures, warrants, secured premium notes, etc. issued by our Company.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is more than ₹ 10 crores and upto ₹ 25 crores, shall issue equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE Limited). For further details regarding the salient features and terms of such an issue, please refer chapter titled “*Terms of Issue*” and “*Issue Procedure*” on page no. 206 and 216 respectively of this Red Herring Prospectus.

Our Company is proposing the public issue of 18,22,000 equity shares of face value of ₹ 10/- each of Cosmic CRF Limited (“**Cosmic CRF**” or the “**Company**” or the “**Issuer**”, and such equity shares the “**Equity Share**”) for cash at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share (the “**Issue Price**”) aggregating to ₹ [●] lakhs (the “**Issue**”), of which 91,200 Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share aggregating to ₹ [●] lakhs will be reserved for subscription by market maker to the Issue (the “**Market Maker Reservation Portion**”). The Issue less the Market Maker Reservation Portion i.e. Net issue of 17,30,800 Equity Shares of face value of ₹ 10/- each at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share aggregating to ₹ [●] lakhs is herein after referred to as the “**Net Issue**”. The Issue and the Net Issue will constitute 26.32% and 25.00%, respectively, of the post issue paid up Equity Share capital of our company. The face value of the Equity Shares is ₹ 10/- each.

This Issue is being made by way of Book Building Process (1):

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
Number of Equity Shares available for allocation	Up to 91,200 Equity shares	Not more than 34,400 Equity Shares.	Not less than 3,98,400 Equity Shares	Not less than 12,98,000 Equity Shares
Percentage of Issue size available for allocation	5.01% of the issue size	Not more than 1.99% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 23.02% of the Net Issue	Not less than 74.99% of the Net Issue
Basis of Allotment <sup>(3)</sup>	Firm Allotment	Proportionate as follows:  a) Up to 2,000 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and  b) Up to 32,400 Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above	Proportionate	Proportionate
Mode of Bid	Only through the ASBA Process	Only through the ASBA process.	Through ASBA Process through banks or by using UPI ID for payment	Through ASBA Process through banks or by using UPI ID for

				payment
Mode of Allotment	Compulsorily in dematerialized form			
Minimum Bid Size	400 Equity Shares in multiple of 400 Equityshares	Such number of Equity Shares and in multiples of 400 Equity Shares that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of 400 Equity Shares that Bid size exceeds ₹ 200,000	400 Equity Shares in multiple of 400 Equity shares so that the Bid Amount does not exceed ₹ 2,00,000
Maximum Bid Size	400 Equity Shares	Such number of Equity Shares in multiples of 400 Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of 400 Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of 400 Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000
Trading Lot	400 Equity Shares, however, the MarketMaker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	400 Equity Shares and in multiples thereof	400 Equity Shares and in multiples thereof	400 Equity Shares
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.			
Mode of Bid	Only through the ASBA process			

- (1) *This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.*
- (2) *In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018, this is an issue for at least 25% of the post issue paid-up Equity share capital of the Company. This issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.*
- (3) *Subject to valid Bids being received at or above the issue price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.*

#### **Withdrawal of the Issue**

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right to not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approval of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the registration of this Red Herring Prospectus with RoC.

## **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Kolkata.

## **BID/ ISSUE PROGRAMME:**

<b>Event</b>	<b>Indicative Dates</b>
<b>Bid/Issue Opening Date</b>	Wednesday, June 14, 2023
<b>Bid/Issue Closing Date</b>	Friday, June 16, 2023
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or before Thursday, June 22, 2023
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account</b>	On or before Friday, June 23, 2023
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or before Friday, June 23, 2023
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or before Monday, June 26, 2023

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Bidding Centers mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

- i. A standard cut-off time of 3.00 p.m. for acceptance of bids.
- ii. A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.
- iii. A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE Limited after taking into account the total number of bids received up to the closure of timings and reported by BRLM to BSE Limited within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

## ISSUE PROCEDURE

All Bidders should read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchange and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI. The Issue has been undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public Issues and redressing investor grievances. This circular shall come into force for initial public Issues opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Red Herring Prospectus. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 modifying the process timelines and extending the implementation timelines for certain measures introduced by the March 16 Circular. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 5,00,000/- shall use the UPI Mechanism.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Our Company, the Promoter and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus.

Further, our Company, the Promoter and the Syndicate Member are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Issue.

## **BOOK BUILDING PROCEDURE:**

This Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 1.99% of the Issue shall be allocated on a proportionate basis to QIBs. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 23.02% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 74.99% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

**Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for RIBs Bidding in the Retail Portion using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to allotment of the Equity Shares in the Issue, subject to applicable laws.**

## **AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of the Red Herring Prospectus together with the Application Forms and copies of the Red Herring Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Book Running Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of BSE Limited i.e. [www.bsesme.com](http://www.bsesme.com). Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Red Herring Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

## **Phased implementation of Unified Payments Interface**

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to upto 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 Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a) Phase I: This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual Bidder, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum 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 continued to be six Working Days.
- b) Phase II: This phase has commenced with effect from July 01, 2019 and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, submission of the Bid cum Application Form by a Retail Individual Investor through intermediaries to SCSBs for blocking of funds has been discontinued and has been replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.
- c) Phase III: Subsequently, the time duration from public issue closure to listing would be reduced to be three Working Days.

Pursuant to the UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked not later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors complaints in this regard, the relevant SCSB as well as the post – Issue BRLM will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. The Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchange and NPCI in order to facilitate collection of requests and/ or payment instructions of the Retail Individual Bidders using the UPI.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/P/2021/2480/1/M dated March 16, 2021.

For further details, refer to the “*General Information Document*” available on the websites of the Stock Exchange and the BRLM.

### **Bid cum Application Form**

Copies of the Bid cum Application Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the website of BSE Limited ([www.bsesme.com](http://www.bsesme.com)) at least one day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. The RIs Bidding in the Retail Portion can additionally Bid through the UPI Mechanism.

RIBs Bidding in the Retail Portion using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (other than RIBs using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs Bidding in the Retail Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate Member, Sub-Syndicate members, if any, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

The prescribed colour of the Application Form for various categories is as follows:

<b>Category</b>	<b>Colour of Application Form*</b>
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis	Blue

**Note:** *Electronic Bid Cum Application Forms will also be available for download on the website of the BSE Limited ([www.bsesme.com](http://www.bsesme.com)).*

**Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.**

**Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).**

**Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Red Herring Prospectus.**

**The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.**

**An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)**

<b>Sr. No.</b>	<b>Designated Intermediaries</b>
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.*

**The upload of the details in the electronic bidding system of stock exchange will be done by:**

<b>For Applications submitted by Investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

**Stock exchange shall validate the electronic bid details with depository’s records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re- submission within the time specified by stock exchange.**

**Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.**

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

For RIBs using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts

of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Issue Closing Date (“Cut- Off Time”). Accordingly, RIBs should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate RIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank and the bankers to an issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Bank and the Bankers to the Issue for analysing the same and fixing liability.

#### **WHO CAN BID?**

**Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the RHP for more details.**

**Subject to the above, an illustrative list of Bidders is as follows:**

- a) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than EligibleNRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non- Institutional Bidder ‘s category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;

- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

#### **APPLICATIONS NOT TO BE MADE BY:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non- resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.**

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

##### **1. For Retail Individual Bidders**

The Application must be for a minimum of 400 Equity Shares and in multiples of 400 Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000.

##### **2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of 400 Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

#### **METHOD OF BIDDING PROCESS**

Our Company, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all English editions of Business Standard (a widely circulated English national daily newspaper), all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper), Bengali editions of Sukhabar (a widely circulated Bengali Regional language daily newspaper) (Bengali being the regional language of West Bengal, where our Registered Office is located), each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days.

The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all English editions of Business Standard (a widely circulated English national daily newspaper), all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper), Bengali editions of Sukhabar (a widely circulated Bengali Regional language daily newspaper) (Bengali being the regional language of West Bengal, where our Registered Office is located), each with wide circulation and also by indicating the change on the website of the Book Running Lead Manager.

- b) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- c) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- d) The BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- e) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- f) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- g) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- h) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price

within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate Member. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

#### **Participation by Associates /Affiliates of BRLM and the Syndicate Member**

**The BRLM and the Syndicate Member, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Member, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.**

#### **Option to Subscribe in the Issue**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Information for the Bidders:**

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in this Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file this Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN

details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.

10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **BIDS BY HUFs**

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

#### **BIDS BY MUTUAL FUNDS**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% 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 10.00% of any company’s paid-up share capital carrying voting rights.

#### **BIDS BY ELIGIBLE NRIS**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation or non-repatriation basis, shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together, on a repatriation or non- repatriation basis, shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Issue using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page 242. Participation of eligible NRIs shall be subject to FEMA NDI Rules.

#### **BIDS BY FPIS**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the

same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for retail trading of food products manufactured and/ or produced in India is 100% under automatic route.

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. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. **FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.**

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i). such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- (ii). prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilise the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations ("Operational FPI Guidelines"), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids ("MIM Bids"). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilise the multi-investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as "MIM Structure"). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

#### **BIDS BY SEBI-REGISTERED AIFS, VCFS AND FVCIS**

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Issue) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other

categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Issue, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

#### **BIDS BY BANKING COMPANIES**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, see "*Key Regulations and Policies*" beginning on page 116.

#### **BIDS BY SCSBS**

SCSBS participating in the Issue are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 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.

#### **BIDS BY SYSTEMICALLY IMPORTANT NBFCs**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of

registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a) equity shares of a company: the lower of 10%\* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2,500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.

2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

### **Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non- Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - i. the applications accepted by them,
  - ii. the applications uploaded by them
  - iii. the applications accepted but not uploaded by them or
  - iv. With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application

accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchange shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
  - Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchange to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our 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 Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/ Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Build of the Book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Issue Period.

#### **Withdrawal of Bids**

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **Price Discovery and Allocation**

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Issue Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

**Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.**

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

**The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.**

#### **GENERAL INSTRUCTIONS**

##### **Do's:**

1. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an RIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
10. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
11. RIBs bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank

accountlinked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;

12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form or have otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes ("CBDT") notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
22. Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Issue Closing Date;
25. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;

26. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in)); and
27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by RIBs);
1. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
2. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
3. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
4. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
5. Do not submit the Bid for an amount more than funds available in your ASBA account.
6. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
7. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
8. If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
9. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
10. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
11. Do not submit the General Index Register (GIR) number instead of the PAN;
12. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
13. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
14. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
15. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
16. Do not submit a Bid using UPI ID, if you are not a RIB;
17. Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
18. Do not Bid for Equity Shares in excess of what is specified for each category;
19. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of this Red Herring Prospectus;
20. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIBs can revise or withdraw their Bids on

or before the Bid/Issue Closing Date;

21. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
22. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
23. Do not Bid if you are an OCB; and
24. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Issue Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Further, in case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please see the section entitled “*General Information*” and “*Our Management*” beginning on pages 53 and 127, respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see the section entitled “*General Information*” beginning on page 53.

### **GROUND FOR TECHNICAL REJECTION**

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by RIBs with Bid Amount of a value of more than ₹ 2,00,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stock invest, money order, postal order or cash; and
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchange.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “*General Information*” beginning on page 53.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no.

SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GUID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

**The allotment of Equity Shares to Bidders other than Retail Individual Investors may be on proportionate basis. No Retail Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable.**

#### **BASIS OF ALLOTMENT**

##### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 400 Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than 12,98,000 Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of 12,98,000 Equity Shares and in multiples of 400 Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

##### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in

this category is less than or equal to 3,98,400 Equity Shares at or above the Issue Price, full allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than 3,98,400 Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of 3,98,400 Equity Shares and in multiples of 400 Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

**c. For QIBs**

Bids received from QIBs Bidding in the QIB Category at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- i. In the first instance, allocation to Mutual Funds for 5% of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5% of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- ii. In the second instance, allotment to all QIBs shall be determined as follows:
  - In the event of oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, up to a minimum of 34,400 Equity Shares and in multiples of 400 Equity Shares thereafter for 1.99% of the QIB Portion.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, up to a minimum of 34,400 Equity Shares and in multiples of 400 Equity Shares thereafter, along with other QIB Bidders.
  - Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than 400 Equity Shares.
- iii. Basis of Allotment for QIBs and NIIs in case of Over Subscribed Issue:

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the BSE SME (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than 400 equity shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted 400 equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of 400 equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of 400 equity shares subject to a minimum allotment of 400 equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders

in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 400 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this RHP.

**Retail Individual Investor means an investor who applies for shares of value of not more than ₹ 2,00,000/. Investors may note that in case of over subscription, allotment shall be on proportionate basis and will be finalized in consultation with BSE Limited.**

**The Executive Director / Managing Director of BSE Limited - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.**

#### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures that credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

#### **Designated Date:**

**On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.**

**The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within a period of 4 working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.**

#### **Instructions for Completing the Bid Cum Application Form**

**The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.**

**SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchange, who may not be Syndicate Member in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the website of BSE Limited i.e. [www.bsesme.com](http://www.bsesme.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of BSE Limited i.e. [www.bsesme.com](http://www.bsesme.com)**

#### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository, the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

#### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

#### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre- Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

#### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at BSE SME where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

#### **BASIS OF ALLOTMENT**

Allotment will be made in consultation BSE 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 here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

3. For applications where the proportionate allotment works out to less than 400 equity shares the allotment will be made as follows:
  - i. Each successful applicant shall be allotted 400 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 400 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 400 equity shares subject to a minimum allotment of 400 equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the BSE Limited - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

**As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **Equity Shares in Dematerialised Form with NSDL/CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the Issue on February 10, 2023.
- b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Issue on February 3, 2023.
- c) The Company's Equity shares bear an ISIN No. INE0ORA01015.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.

- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

### **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing this Red Herring Prospectus with the RoC, publish a Pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in all English editions of Business Standard (a widely circulated English national daily newspaper), all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper), Bengali editions of Sukhabar (a widely circulated Bengali Regional language daily newspaper) (Bengali being the regional language of West Bengal, where our Registered Office is located), each with wide circulation.

In the Pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

### **SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING**

- a) Our Company and the Underwriter have entered into an Underwriting Agreement dated May 11, 2023.
- b) After signing the Underwriting Agreement, this Red Herring Prospectus has been filed with the RoC in accordance with applicable law.

### **IMPERSONATION**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*“Any person who:*

3. *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
4. *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*
5. *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 10/- Lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10/- lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50/- Lakh or with both.

### **UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed shall be taken within six Working Days of the Bid/Issue Closing Date or such other time as may be prescribed by the SEBI or under any applicable law;
- if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where

refunds shall be credited along with amount and expected date of electronic credit of refund;

- no further issue of the Equity Shares shall be made until the Equity Shares issued through this Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under- subscription, etc.
- our Company, in consultation with the BRLM, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of the Issued Shares, after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchange promptly on which the Equity Shares are proposed to be listed; and
- if our Company, in consultation with the BRLM withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the SEBI.

#### **UTILIZATION OF ISSUE PROCEEDS**

Our Board certifies that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“**FEMA**”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“**RBI**”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2017 (“**FDI Policy 2017**”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular. The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to *inter-alia*, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, *inter-alia* with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

In case of investment in sectors through Government Route approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the Company. The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained; and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time.; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and iv) where the investee company is in the financial sector provided that: a) Any ‘fit and proper/due diligence’ requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, , FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, , 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India)

Regulations, 2017. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap. Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

**vii. Investment by FPIs under Portfolio Investment Scheme (PIS):**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

**viii. Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 i.e.:

- The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference 373 shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

**ix. Investment by NRI or OCI on non-repatriation basis:**

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws. Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

## **SECTION IX - DESCRIPTION OF EQUITY SHARES AND TERMS OF 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:*

Pursuant to the Companies Act and the SEBI ICDR Regulations the main provisions of our Articles of Association relating to, among others, voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalized/ defined terms herein have the same meaning given to them in our Articles. Subject to our Articles, any words or expression defined in the Companies Act, 2013 shall, except so where the subject or context forbids; bear the same meaning in these Articles.

Article No.	Articles	Particulars
1.	<b>Table F Applicable.</b>	No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.
<b>CAPITAL</b>		
3.	<b>Authorized Capital.</b>	The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.
4.	<b>Increase of capital by the Company how carried into effect</b>	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.
5.	<b>New Capital same as existing capital</b>	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
6.	<b>Non-Voting Shares</b>	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.
7.	<b>Redeemable Preference Shares</b>	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.
8.	<b>Voting rights of preference shares</b>	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.
9.	<b>Provisions to apply on issue of Redeemable Preference Shares</b>	On the issue of redeemable preference shares under the provisions of Article hereof, the following provisions shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption; (b) No such Shares shall be redeemed unless they are fully paid; (c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;

Article No.	Articles	Particulars
		<p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p>
10.	<b>Reduction of capital</b>	<p>The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>
11.	<b>Debentures</b>	<p>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.</p>
12.	<b>Issue of Sweat Equity Shares</b>	<p>The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.</p>
13.	<b>ESOP</b>	<p>The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.</p>
14.	<b>Buy Back of shares</b>	<p>Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.</p>
15.	<b>Consolidation, Sub-Division And Cancellation</b>	<p>Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.</p>
16.	<b>Issue of Depository Receipts</b>	<p>Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.</p>
17.	<b>Issue of Securities</b>	<p>Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.</p>
<b>MODIFICATION OF CLASS RIGHTS</b>		
18.	<b>Modification of rights</b>	<p>(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt,</p>

Article No.	Articles	Particulars
		<p>with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.</p> <p>Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.</p>
	<b>New Issue of Shares not to affect rights attached to existing shares of that class.</b>	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking <i>pari passu</i> therewith.
<b>19.</b>	<b>Shares at the disposal of the Directors.</b>	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.
<b>20.</b>	<b>Power to issue shares on preferential basis.</b>	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.
<b>21.</b>	<b>Shares should be Numbered progressively and no share to be subdivided.</b>	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.
<b>22.</b>	<b>Acceptance of Shares.</b>	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.
<b>23.</b>	<b>Directors may allot shares as full paid-up</b>	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.
<b>24.</b>	<b>Deposit and call etc.to be a debt payable immediately.</b>	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.
<b>25.</b>	<b>Liability of Members.</b>	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.
<b>26.</b>	<b>Registration of Shares.</b>	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.

Article No.	Articles	Particulars
<b>RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT</b>		
27.		The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act
<b>CERTIFICATES</b>		
28.	<b>Share Certificates.</b>	<p>(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall 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 of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p>
29.	<b>Issue of new certificates in place of those defaced, lost or destroyed.</b>	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
<b>30.</b>	<b>The first named joint holder deemed Sole holder.</b>	(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.
	<b>Maximum number of joint holders.</b>	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.
<b>31.</b>	<b>Company not bound to recognise any interest in share other than that of registered holders.</b>	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.
<b>32.</b>	<b>Installment on shares to be duly paid.</b>	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.
<b>UNDERWRITING AND BROKERAGE</b>		
<b>33.</b>	<b>Commission</b>	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.
<b>34.</b>	<b>Brokerage</b>	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.
<b>CALLS</b>		
<b>35.</b>	<b>Directors may make calls</b>	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments.
<b>36.</b>	<b>Notice of Calls</b>	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.
<b>37.</b>	<b>Calls to date from resolution.</b>	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.
<b>38.</b>	<b>Calls on uniform basis.</b>	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.
<b>39.</b>	<b>Directors may extend time.</b>	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.
<b>40.</b>	<b>Calls to carry interest.</b>	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding

Article No.	Articles	Particulars
		21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.
41.	<b>Sums deemed to be calls.</b>	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.
42.	<b>Proof on trial of suit for money due on shares.</b>	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
43.	<b>Judgment, decree, partial payment motto proceed for forfeiture.</b>	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.
44.	<b>Payments in Anticipation of calls may carry interest</b>	<p>(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>
<b>LIEN</b>		
45.	<b>Company to have Lien on shares.</b>	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.
46.	<b>As to enforcing lien by sale.</b>	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfilment of discharge of such debts, liabilities or engagements for seven days

Article No.	Articles	Particulars
		after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.
47.	<b>Application of proceeds of sale.</b>	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.
<b>FORFEITURE AND SURRENDER OF SHARES</b>		
48.	<b>If call or installment not paid, notice may be given.</b>	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.
49.	<b>Terms of notice.</b>	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.
50.	<b>On default of payment, shares to be forfeited.</b>	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.
51.	<b>Notice of forfeiture to a Member</b>	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.
52.	<b>Forfeited shares to be property of the Company and may be sold etc.</b>	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.
53.	<b>Members still liable to pay money owing at time of forfeiture and interest.</b>	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.
54.	<b>Effect of forfeiture.</b>	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.
55.	<b>Evidence of Forfeiture.</b>	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
<b>56.</b>	<b>Title of purchaser and allottee of Forfeited shares.</b>	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.
<b>57.</b>	<b>Cancellation of share certificate in respect of forfeited shares.</b>	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.
<b>58.</b>	<b>Forfeiture may be remitted.</b>	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.
<b>59.</b>	<b>Validity of sale</b>	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
<b>60.</b>	<b>Surrender of shares.</b>	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.
<b>TRANSFER AND TRANSMISSION OF SHARES</b>		
<b>61.</b>	<b>Execution of the instrument of shares.</b>	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.
<b>62.</b>	<b>Transfer Form.</b>	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. <b>The instrument of transfer shall be in a common form approved by the Exchange;</b>
<b>63.</b>	<b>Transfer not to be registered except on production of instrument of transfer.</b>	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.
<b>64.</b>	<b>Directors may refuse to register transfer.</b>	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien. That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;

Article No.	Articles	Particulars
65.	<b>Notice of refusal to be given to transferor and transferee.</b>	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.
66.	<b>No fee on transfer.</b>	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.
67.	<b>Closure of Register of Members or debenture holder or other security holders.</b>	The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.
68.	<b>Custody of transfer Deeds.</b>	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.
69.	<b>Application for transfer of partly paid shares.</b>	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
70.	<b>Notice to transferee.</b>	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
71.	<b>Recognition of legal representative.</b>	<p>(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.</p> <p>(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>
72.	<b>Titles of Shares of deceased Member</b>	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
<b>73.</b>	<b>Notice of application when to be given</b>	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.
<b>74.</b>	<b>Registration of persons entitled to share otherwise than by transfer. (transmission clause).</b>	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.
<b>75.</b>	<b>Refusal to register nominee.</b>	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.
<b>76.</b>	<b>Board may require evidence of transmission.</b>	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.
<b>77.</b>	<b>Company not liable for disregard of a notice prohibiting registration of transfer.</b>	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.
<b>78.</b>	<b>Form of transfer Outside India.</b>	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.
<b>79.</b>	<b>No transfer to insolvent etc.</b>	No transfer shall be made to any minor, insolvent or person of unsound mind.
<b>NOMINATION</b>		
<b>80.</b>	<b>Nomination</b>	<ul style="list-style-type: none"> <li>i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</li> <li>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</li> <li>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</li> <li>iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</li> </ul>
<b>81.</b>	<b>Transmission of Securities by nominee</b>	A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-

Article No.	Articles	Particulars
		<p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>
<b>DEMATERIALIZATION OF SHARES</b>		
<b>82.</b>	<b>Dematerialisation of Securities</b>	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.
<b>JOINT HOLDER</b>		
<b>83.</b>	<b>Joint Holders</b>	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.
<b>84.</b>	<b>Joint and several liabilities for all payments in respect of shares.</b>	(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.
	<b>Title of survivors.</b>	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;
	<b>Receipts of one sufficient.</b>	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and
	<b>Delivery of certificate and giving of notices to first named holders.</b>	(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 certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.
<b>SHARE WARRANTS</b>		
<b>85.</b>	<b>Power to issue share warrants</b>	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.
<b>86.</b>	<b>Deposit of share warrants</b>	<p>(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.</p>

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
<b>87.</b>	<b>Privileges and disabilities of the holders of share warrant</b>	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.
<b>88.</b>	<b>Issue of new share warrant coupons</b>	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.
<b>CONVERSION OF SHARES INTO STOCK</b>		
<b>89.</b>	<b>Conversion of shares into stock or reconversion.</b>	The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.
<b>90.</b>	<b>Transfer of stock.</b>	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
<b>91.</b>	<b>Rights of stock holders.</b>	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
<b>92.</b>	<b>Regulations.</b>	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.
<b>BORROWING POWERS</b>		
<b>93.</b>	<b>Power to borrow.</b>	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, overdrafts, cash credit both fund and non-fund based Secured Loans, Unsecured Loans, Term Loans or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person/(s), firm/(s), company/(s), co-operative society/(s), any body corporate/(s), bank/(s), institution/(s), whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.
<b>94.</b>	<b>Issue of discount etc. or with special privileges.</b>	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.
<b>95.</b>	<b>Securing payment or repayment of Moneys borrowed.</b>	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the

Article No.	Articles	Particulars
		Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.
96.	<b>Bonds, Debentures etc. to be under the control of the Directors.</b>	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
97.	<b>Mortgage of uncalled Capital.</b>	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.
98.	<b>Indemnity may be given.</b>	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.
<b>MEETINGS OF MEMBERS</b>		
99.	<b>Distinction between AGM &amp; EGM.</b>	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.
100.	<b>Extra-Ordinary General Meeting by Board and by requisition</b>	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members
	<b>When a Director or any two Members may call an Extra Ordinary General Meeting</b>	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.
101.	<b>Meeting not to transact business not mentioned in notice.</b>	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.
102.	<b>Chairman of General Meeting</b>	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Vice Chairman of the Company so shall take the chair and preside the meeting. In the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting.
103.	<b>Business confined to election of Chairman or Vice Chairman whilst chair is vacant.</b>	No business, except the election of a Chairman or Vice Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.
104.	<b>Chairman with consent may adjourn meeting.</b>	a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
105.	<b>Chairman's casting vote.</b>	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.
106.	<b>In what case poll taken without adjournment.</b>	Any poll duly demanded on the election of Chairman or Vice Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
<b>107.</b>	<b>Demand for poll not to prevent transaction of other business.</b>	The demand for a poll except on the question of the election of the Chairman or Vice Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
<b>VOTES OF MEMBERS</b>		
<b>108.</b>	<b>Members in arrears not to vote.</b>	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.
<b>109.</b>	<b>Number of votes each member entitled.</b>	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.
<b>110.</b>	<b>Casting of votes by a member entitled to more than one vote.</b>	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.
<b>111.</b>	<b>Vote of member of unsound mind and of minor</b>	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
<b>112.</b>	<b>Postal Ballot</b>	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.
<b>113.</b>	<b>E-Voting</b>	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
<b>114.</b>	<b>Votes of joint members.</b>	<p>a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.</p> <p>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>
<b>115.</b>	<b>Votes may be given by proxy or by representative</b>	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles
<b>116.</b>	<b>Representation of a body corporate.</b>	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.
<b>117.</b>	<b>Members paying money in advance.</b>	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
	<b>Members not prohibited if share not held for any specified period.</b>	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.
<b>118.</b>	<b>Votes in respect of shares of deceased or insolvent members.</b>	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.
<b>119.</b>	<b>No votes by proxy on show of hands.</b>	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.
<b>120.</b>	<b>Appointment of a Proxy.</b>	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
<b>121.</b>	<b>Form of proxy.</b>	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
<b>122.</b>	<b>Validity of votes given by proxy notwithstanding death of a member.</b>	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.
<b>123.</b>	<b>Time for objections to votes.</b>	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
<b>124.</b>	<b>Chairperson of the Meeting to be the judge of validity of any vote.</b>	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.
<b>DIRECTORS</b>		
<b>125.</b>	<b>Number of Directors</b>	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution
<b>126.</b>	<b>Qualification shares.</b>	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.
<b>127.</b>	<b>Nominee Directors.</b>	(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled. (c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to

Article No.	Articles	Particulars
		<p>them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>
128.	<b>Appointment of alternate Director.</b>	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.
129.	<b>Additional Director</b>	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.
130.	<b>Directors power to fill casual vacancies.</b>	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.
131.	<b>Sitting Fees.</b>	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.
132.	<b>Travelling expenses Incurred by Director on Company's business.</b>	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.
<b>PROCEEDING OF THE BOARD OF DIRECTORS</b>		
133.	<b>Meetings of Directors.</b>	<p>(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.</p> <p>(b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</p>
134.	<b>Chairman and Vice Chairman</b>	<p>a) The Directors may from time to time elect from among their members a Chairperson of the Board as well as a Vice Chairman of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Vice Chairman shall preside at the meeting and in the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting.</p> <p>b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.</p>
135.	<b>Questions at Board meeting how decided.</b>	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman or the Vice Chairman, as the case may be will have a second or casting vote.
136.	<b>Continuing directors may act notwithstanding any vacancy in the Board</b>	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
137.	<b>Directors may appoint committee.</b>	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
		formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
<b>138.</b>	<b>Committee Meetings how to be governed.</b>	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.
<b>139.</b>	<b>Chairperson of Committee Meetings</b>	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
<b>140.</b>	<b>Meetings of the Committee</b>	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
<b>141.</b>	<b>Acts of Board or Committee shall be valid notwithstanding defect in appointment.</b>	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.
<b>RETIREMENT AND ROTATION OF DIRECTORS</b>		
<b>142.</b>	<b>Power to fill casual vacancy</b>	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.
<b>POWERS OF THE BOARD</b>		
<b>143.</b>	<b>Powers of the Board</b>	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
<b>144.</b>	<b>Certain powers of the Board</b>	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say
	<b>To acquire any property , rights etc.</b>	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.
	<b>To take on Lease.</b>	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.
	<b>To erect &amp; construct.</b>	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
		portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.
	<b>To pay for property.</b>	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
	<b>To insure properties of the Company.</b>	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.
	<b>To open Bank accounts.</b>	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.
	<b>To secure contracts by way of mortgage.</b>	(7) To secure the fulfilments of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.
	<b>To accept surrender of shares.</b>	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.
	<b>To appoint trustees for the Company.</b>	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.
	<b>To conduct legal proceedings.</b>	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.
	<b>Bankruptcy &amp; Insolvency</b>	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.
	<b>To issue receipts &amp; give discharge.</b>	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.
	<b>To invest and deal with money of the Company.</b>	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.
	<b>To give Security by way of indemnity.</b>	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;
	<b>To determine signing powers.</b>	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.

Article No.	Articles	Particulars
	<b>Commission or share in profits.</b>	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.
	<b>Bonus etc. to employees.</b>	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.
	<b>Transfer to Reserve Funds.</b>	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.
	<b>To appoint and remove officers and other employees.</b>	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.
	<b>To appoint Attorneys.</b>	(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.

Article No.	Articles	Particulars
	<b>To enter into contracts.</b>	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.
	<b>To make rules.</b>	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.
	<b>To effect contracts etc.</b>	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.
	<b>To apply &amp; obtain concessions licenses etc.</b>	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.
	<b>To pay commissions or interest.</b>	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.
	<b>To redeem preference shares.</b>	(26) To redeem preference shares.
	<b>To assist charitable or benevolent institutions.</b>	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.
		(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.
		(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.
		(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how. (32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products. (33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient. (34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the

Article No.	Articles	Particulars
		<p>Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>
<b>MANAGING AND WHOLE-TIME DIRECTORS</b>		
145.	<b>Powers to appoint Managing/ Whole-time Directors.</b>	<p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>
146.	<b>Remuneration of Managing or Whole-time Director.</b>	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.
147.	<b>Powers and duties of Managing Director or Whole-time Director.</b>	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p>

Article No.	Articles	Particulars
		(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.
<b>CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER</b>		
148.	<b>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer</b>	<p>a) Subject to the provisions of the Act,—</p> <p>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p>
<b>THE SEAL</b>		
149.	<b>The seal, its custody and use.</b>	<p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>
150.	<b>Deeds how executed.</b>	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.
<b>DIVIDEND AND RESERVES</b>		
151.	<b>Division of profits.</b>	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>
152.	<b>The company in General Meeting may declare Dividends.</b>	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.
153.	<b>Transfer to reserves</b>	a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

Article No.	Articles	Particulars
		b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
154.	<b>Interim Dividend.</b>	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
155.	<b>Debts may be deducted.</b>	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
156.	<b>Capital paid up in advance not to earn dividend.</b>	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.
157.	<b>Dividends in proportion to amount paid-up.</b>	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.
158.	<b>Retention of dividends until completion of transfer under Articles.</b>	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.
159.	<b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.</b>	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.
160.	<b>Effect of transfer of shares.</b>	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.
161.	<b>Dividend to joint holders.</b>	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.
162.	<b>Dividends how remitted.</b>	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
163.	<b>Notice of dividend.</b>	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
164.	<b>No interest on Dividends.</b>	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.
<b>CAPITALIZATION</b>		
165.	<b>Capitalization.</b>	(1) The Company in General Meeting may, upon the recommendation of the Board, resolve: (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards: (i) paying up any amounts for the time being unpaid on any shares held by such members respectively; (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii). (3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of

Article No.	Articles	Particulars
		<p>unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>
166.	<b>Fractional Certificates.</b>	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p>
167.	<b>Inspection of Minutes Books of General Meetings.</b>	<p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</p>
168.	<b>Inspection of Accounts</b>	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</p>
<b>FOREIGN REGISTER</b>		
169.	<b>Foreign Register.</b>	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.
<b>DOCUMENTS AND SERVICE OF NOTICES</b>		
170.	<b>Signing of documents &amp; notices to be served or given.</b>	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.
171.	<b>Authentication of documents and proceedings.</b>	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.
<b>WINDING UP</b>		
172.		Subject to the provisions of Chapter XX of the Act and rules made thereunder— (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act,

Article No.	Articles	Particulars
		<p>divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p>
<b>INDEMNITY</b>		
173.	<b>Directors' and others right to indemnity.</b>	<p>Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favour, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.</p>
174.	<b>Not responsible for acts of others</b>	<p>Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.</p>
<b>SECURITY</b>		
175.	<b>Secrecy</b>	<p>(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.</p>
	<b>Access to property information etc.</b>	<p>(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.</p>

## **SECTION X - OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Red Herring Prospectus which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus, have been delivered to the ROC for registration/submission of the Red Herring Prospectus and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at 19, Monohar Pukur Road, Kolkata – 700 029, West Bengal, India, from date of filing of Red Herring Prospectus with ROC on all Working Days until the Bid/Issue Closing Date.

#### **1. Material Contracts for the Issue**

- (i). Issue Agreement dated April 21, 2023 entered into between our Company and the Book Running Lead Manager.
- (ii). Registrar Agreement dated April 21, 2023 entered into amongst our Company and the Registrar to the Issue.
- (iii). Tripartite Agreement dated February 10, 2023 between our Company, NSDL and the Registrar to the Issue.
- (iv). Tripartite Agreement dated February 3, 2023 between our Company, CDSL and the Registrar to the Issue.
- (v). Syndicate Agreement dated June 5, 2023 executed between our Company and the Book Running Lead Manager.
- (vi). Banker to the Issue Agreement dated June 5, 2023 among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
- (vii). Market Making Agreement dated May 11, 2023 between our Company, Book Running Lead Manager and Market Maker.
- (viii). Underwriting Agreement dated May 11, 2023 amongst our Company and the Underwriters.

#### **2. Material Documents**

- (i) Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
- (ii) Certificate of Incorporation dated December 21, 2021 under the Companies Act, 2013 issued by Deputy Registrar of Companies, Central Registration Centre.
- (iii) Business transfer agreement with Cosmic Ferro Alloys Limited executed on January 19, 2022, read with Addendum to the Business Transfer Agreement dated August 26, 2022 and September 9, 2022.
- (iv) The resolution passed by the Board of Directors at its meeting held on February 25, 2023, read with the resolution passed by the Board of Directors in their meeting held on June 5, 2023, and the resolution passed by the Shareholders of the Company in EGM held on March 20, 2023, authorizing the Issue.
- (v) Resolution of the Board of Directors of the Company dated April 21, 2023, taking on record and approving the Draft Red Herring Prospectus.
- (vi) Resolution of the Board of Directors of the Company dated June 5, 2023, taking on record and approving this Red Herring Prospectus.
- (vii) The examination reports dated April 20, 2023 of the Statutory Auditor, on our Company's Restated Financial Statements, included in this Red Herring Prospectus.
- (viii) Copies of the annual reports of our Company for the Fiscals 2023 and 2022.
- (ix) Consent of the Promoter, Directors, the Book Running lead Manager, Legal Counsel, Registrar to the Issue, Bankers to our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Banker to the Issue, Sponsor Bank, Market Maker and Underwriters as referred to in their specific capacities.
- (x) Consent letter dated April 21, 2023 of the Statutory Auditor to include their names as experts in relation to their report dated April 20, 2023 on the Restated Financial Information and the Statement of Tax Benefits dated April 21, 2023 included in this Red Herring Prospectus.
- (xi) In principle listing approval dated May 29, 2023 issued by BSE Limited.
- (xii) Due Diligence certificate dated June 5, 2023 issued by the Book Running Lead Manager.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act, 2013 and other relevant statutes.

## DECLARATION

We, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY:

Sd/-

---

**Aditya Vikram Birla**  
(Managing Director)

Sd/-

---

**Purvi Birla**  
(Whole-time Director)

Sd/-

---

**Pawan Kumar Tibrewalla**  
(Non-Executive Director)

Sd/-

---

**Binod Kumar Khaitan**  
(Independent Director)

Sd/-

---

**Ashok Barnwal**  
(Independent Director)

### SIGNED BY THE CFO AND CS OF OUR COMPANY

Sd/-

---

**Ram Pada Mandal**  
(Chief Financial Officer)

Sd/-

---

**Anita Kumari Gupta**  
(Company Secretary & Compliance Officer)

**Place:** Kolkata, West Bengal

**Date:** June 5, 2023