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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under. Notwithstanding the foregoing, terms used in of the sections “Industry Overview”, “Key Regulations and Policies”, “Statement of Possible Tax Benefits”, “Restated Financial Statements”, “Basis for Issue Price”, “History and Corporate Structure”, “Other Regulatory and Statutory Disclosures”, “Outstanding Litigations and Material Developments” and “Description of Equity Shares and Terms of the Articles of Association” on pages 100, 137, 96, 177, 91, 146, 203, 195 and 259 respectively, shall have the meaning ascribed to such terms in such sections.*

#### GENERAL TERMS

Term	Description
“SPL”, “the Company”, “our Company” and Swashtnik Plascon Limited	Swashtnik Plascon Limited (Formerly known as Swashtnik Caps Private Limited), a company incorporated in India under Part IX of the Companies Act, 1956 having its Registered office at No. A75 - A76, PIPDIC Electronic Park, Thirubuvanai, Mannadipet Commune, Puducherry - 605107, Pondicherry, India.  Our Company was originally incorporated on May 05, 2011 as “Swashtnik Caps Private Limited” pursuant to the conversion of a Partnership Firm named M/s Swashtnik Caps into Private Limited Company under the provisions of the Companies Act, 1956 with the Registrar of Companies, Pondicherry.
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company
“you”, “your” or “yours”	Prospective investors in this Issue

#### COMPANY RELATED TERMS

Term	Description
AOA / Articles / Articles of Association	Articles of Association of Swashtnik Plascon Limited as amended from time to time.
Audit Committee	The Committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 as amended.
Auditors/ Statutory Auditors/Peer Review Auditors	The Statutory Auditors of Swashtnik Plascon Limited being M/s PSDY & Associates, Chartered Accountant.
Bankers to the Company	Yes Bank Limited
Board of Directors / the Board / our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled “Our Management” beginning on page 151 of this Draft Red Herring Prospectus.
Chairman/ Chairperson	The Chairman/ Chairperson of Board of Directors of our Company being Mr. Parasmal Mahendra Kumar
CIN	Corporate Identification Number of our Company i.e., U25209PY2011PLC002578
Chief Financial Officer/CFO	The Chief Financial Officer of our Company being Mr. Pawan Kumar Chamaria
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Mr. Madras Uthandavelu Ravi Kumar
DIN	Directors Identification Number.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of the Company of Face Value of Rs.10/- each unless otherwise specified in the context thereof.

<b>Term</b>	<b>Description</b>
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company.
Executive Directors	Executive Directors are the Managing Director & Whole Time Directors of our Company.
Group Companies	Companies with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and also other companies as considered material by our Board of the issuer as disclosed in “ <i>Our Group Company</i> ” on page 175 of this Draft Red Herring Prospectus.
Independent Director	A non-executive & Independent Director as per the Companies Act, 2013 and the Listing Regulations.
ISIN	International Securities Identification Number. In this case being INE0RDR01012
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled “ <i>Our Management</i> ” on page 151 of this Draft Red Herring Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on September 15, 2023, in accordance with the requirements of the SEBI (ICDR) Regulations, 2018.
MD or Managing Director	The Managing Director of our Company being Mr. Mahendrakumar Gautam
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Swashtik Plascon Limited as amended from time to time.
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with the Companies Act, 2013.
Non-Executive Director	A Director not being an Executive Director or an Independent Director
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoter(s)	Shall mean promoters of our Company i.e., Mr. Parasmal Mahendra Kumar, Mr. Parasmal Ravindra Kumar, Mr. Parasmal Dharmendra Kumar, Mr. Misrilal Parasmal, Mrs. P Umrao, Mrs. Mahendrakumar Nirmala, Mrs. R Asha Jain and Mrs. D Anita. For further details, please refer to section titled “ <i>Our Promoter and Promoter Group</i> ” beginning on page 167 of this Draft Red Herring Prospectus.
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as enlisted in the section titled “ <i>Our Promoter and Promoter Group</i> ” beginning on page 167 of this Draft Red Herring Prospectus.
Registered Office	No. A75 - A76, PIPDIC Electronic Park, Thirubuvanai, Mannadipet Commune, Puducherry - 605107, Pondicherry, India.
Restated Financial Information	The restated audited financial information of the Company, which comprises of the restated consolidated audited balance sheet, the restated consolidated audited profit and loss information and restated consolidated audited cash flow information for the years ended March 31, 2023, 2022 and 2021 together with the annexure and notes thereto and restated standalone audited balance sheet, the restated standalone audited profit and loss information and restated standalone audited cash flow information for the years ended March 31, 2023, 2022 and 2021 together with the annexure and notes thereto
RoC/ Registrar of Companies	Registrar of Companies, Pondicherry.
Shareholders	Shareholders of our Company
Stock Exchange	Unless the context requires otherwise, refers to, BSE Limited
Stakeholders Relationship Committee	The Stakeholder’s Relationship Committee of our Board constituted in accordance with section 178(5) of the Companies Act, 2013.
Subscriber to MOA/Initial Promoters	Initial Subscriber to MOA & AOA being Mrs. D Anita, Mr. Yeshpal Shivani, Mrs. Mahendrakumar Nirmala, Mrs. R Asha Jain, Mr. Ramnath Ashok Pappa, Mr. Misrilal Parasmal, Mr. Parasmal Ravindra Kumar, Mr. Ramnath Ashok and Mr. Vijayakumar Chainraj Jain
Subsidiaries	Subsidiary of our Company being Swashtik Preforms Private Limited and Swashtik

Term	Description
	Industries (A Partnership firm).

## FINANCIAL AND OPERATIONAL KEY PERFORMANCE INDICATORS

Key Financial Performance	Explanations
Revenue from Operations	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps to assess the overall financial performance of the Company and volume of the business. Revenue from operation means revenue from sale of services
EBITDA	EBITDA provides information regarding the operational efficiency of the business. EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business. EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of the business. PAT Margin is calculated as PAT for the period/year divided by revenue from operations

## ISSUE RELATED TERMS

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of prospectus as may be specified by the SEBI in this behalf
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a bidder as proof of registration of the bid.
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue to successful Bidders.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allottee (s)	The successful bidder to whom the Equity Shares are being / have been issued.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 Lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bid/Issue Period or Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to the Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price.  The Anchor Investor Issue Price will be decided by our Company in consultation with the Book Running Lead Manager
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/ Issue Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations.  One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds,

<b>Term</b>	<b>Description</b>
	subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the bidders for blocking the bid Amount mentioned in the ASBA Form.
ASBA Bidders	Any prospective investor who makes a bid pursuant to the terms of the Draft Red Herring Prospectus and the Bid cum Application Form including through UPI mode (as applicable).
ASBA Form	A bid cum application form, whether physical or electronic, used by ASBA bidders, which will be considered as the bid for Allotment in terms of the Draft Red Herring Prospectus.
Bankers to the Issue	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being [●]
Banker to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Book Running Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted, described in "Issue Procedure" on page 226 of this Draft 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, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term "Bidding" shall be construed accordingly.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/Issue Closing Date	<p>Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] and editions of [●] (a widely circulated Hindi national daily newspaper), (Hindi being the regional language of Pondicherry, 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 Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, 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</p>
Bid/Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] and editions of [●] (a widely circulated Hindi national daily newspaper), (Hindi being the regional language of Pondicherry, where our Registered Office is located)
Bid/ Issue Period	<p>Except in relation to Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which 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, other than Anchor Investors.</p> <p>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 may, 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</p>
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of this Draft Red Herring Prospectus.

<b>Term</b>	<b>Description</b>
Bidding Centres	Centers at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e., Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, 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 Draft 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 Draft 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 Shreni Shares Limited, SEBI Registered Category I Merchant Banker.
Broker Centres	Broker Centers notified by the Stock Exchanges where investors can submit the Bid cum 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.
BSE	BSE Limited
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful bidder indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price and the Anchor Investor Issue Price will not be finalised 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.
Demographic Details	The demographic details of the bidders such as their Address, PAN, name of the bidder father/husband, investor status, occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Designated Date	On the Designated Date, the amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/ or unblocked in terms of this Draft Red Herring Prospectus.
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 websites 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 websites of the Stock Exchange i.e., <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated Intermediaries/Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an Issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)

<b>Term</b>	<b>Description</b>
Designated Market Maker	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Designated Stock Exchange	BSE Limited (SME Platform) (“BSE SME”)
DP	Depository Participant
DP ID	Depository Participant’s Identity Number
Draft Red Herring Prospectus	Draft Red Herring prospectus dated September 30, 2023 issued in accordance with Section 23, 26 and 32 of the Companies Act, 2013 and SEBI ICDR Regulation.
Eligible NRI	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
SME Platform of BSE Limited	The SME Platform of BSE for Listing of Equity Shares offered under Chapter IX of SEBI (ICDR) Regulations which was approved by SEBI as an BSE SME on March 13, 2012.
Equity Shares	Equity Shares of our Company of face value Rs. 10.00 each
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 offer 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.
Eligible NRI(s)	An NRI(s) from such a jurisdiction outside India where it is not unlawful to make an Offer or invitation under this Issue and in relation to whom the Bid cum Application Form and the Prospectus will constitute an invitation to purchase the equity shares.
Escrow Account	Accounts opened with the Banker to the Issue
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ 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, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
Fresh Issue	The Fresh Issue of up to 47,40,000 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
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/ Issue Size/ Initial Public Offer/ Initial Public Offer/ Initial Public Offering/ IPO	The initial public offering of up to 47,40,000 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] Lakhs.
Issue Proceeds	Proceeds to be raised by our Company through this Fresh Issue, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” page 81 of this Draft Red Herring Prospectus
Issue Price	The Price at which the Equity Shares are being issued/offered by our Company under this Draft Red Herring Prospectus being Rs. [●] per equity share.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the BSE Limited.

<b>Term</b>	<b>Description</b>
LLP	Limited Liability Partnership as incorporated under the Limited Liability Partnership Act, 2008
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
Market Maker	[●]
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of Rs. 10 each at an Issue price of Rs. [●] each aggregating to Rs. [●] Lakhs to be subscribed by Market Maker in this Issue.
MOU / Memorandum of Understanding	Memorandum of Understanding dated September 29, 2023 amongst our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the 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 [●] 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 Fresh Issue.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.
Non-Institutional Investors / bidder	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than ₹ 2,00,000/-
Non-Resident	A person resident outside India, as defined under FEMA Act, 1999 and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
NSEL/NSE	National Stock Exchange of India Limited
NSE EMERGE	The EMERGE SME platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares Issued under Chapter IX of the SEBI ICDR Regulations.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB 's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Pay-in-Period	The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of Rs. [●] and the maximum price (Cap Price) of Rs. [●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid / Issue Opening Date
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 Bankers to the Issue to receive monies from the SCSBs from the bank account of the ASBA bidder, on the Designated Date.
Public Issue Account Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Application Amounts.
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI.



<b>Term</b>	<b>Description</b>
Qualified Institutional Buyers/ QIBs	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor registered with the SEBI, a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with the SEBI; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of Rs. 25.00 Crore; a pension fund with minimum corpus of Rs 25.00 Crore; National Investment Fund set up by resolution No. F. No. 2/3/2005 – DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto
Refund Account (s)	Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur.
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) 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 [●].
Registrar/ Registrar to the Issue /RTA/ RTI	Registrar to the Issue being Big Share Services Private Limited
Registrar Agreement	The agreement dated September 29, 2023 entered into between our Company, and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs. 2,00,000.
Registered Broker	Individuals or companies registered with SEBI as “Trading Members”(except Syndicate/ Sub-Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed on Stock Exchanges ,through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="http://www.bseindia.com/membership/content/cat_of_mem.html">http://www.bseindia.com/membership/content/cat_of_mem.html</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)
Self-Certified Syndicate Bank(s) / SCSB(s)	Banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services of ASBA, including blocking of bank account, a list of which is available <a href="http://www.sebi.gov.in/pmd/scsb.pdf">http://www.sebi.gov.in/pmd/scsb.pdf</a>
SME Exchange	SME Platform of the BSE Limited i.e., BSE SME
Sponsor Bank	Shall mean a Banker to the Issue registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and National Payments Corporation of India in order to push the mandate collect requests and/or payment instructions of the retail investors into the UPI.
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Sub Syndicate Member	A SEBI Registered member of BSE appointed by the BRLM and / or syndicate member to act as a Sub Syndicate Member in the Issue
Syndicate Member/ Members of the Syndicate	Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being [●]
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members
Syndicate ASBA Bidding Locations	Bidding Centers where an ASBA Bidder can submit their Bid in terms of SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi

<b>Term</b>	<b>Description</b>
Syndicate Agreement	The agreement dated [●] entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid.
Underwriters	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated September 29, 2023 entered between the Underwriters, BRLM and our Company.
Unified Payments Interface (UPI)	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two person's bank accounts using a payment address which uniquely identifies a person's bank Account.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI bid and by way of a SMS directing the RII to such UPI bid) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI bid equivalent to bid Amount and subsequent debit of funds in case of Allotment
UPI mechanism	The bidding mechanism that may be used by an RII to make an bid in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter	As defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations, 2018 which means a person or an issuer who or which is 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 the Reserve Bank of India.
Working Day	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in the city as specified in the Draft Red Herring Prospectus are open for business: -  <ol style="list-style-type: none"> <li>1. However, in respect of announcement of price band and Issue Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on which commercial banks in the city as notified in this Prospectus are open for business.</li> <li>2. In respect to the time period between the Issue closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with circular issued by SEBI.</li> </ol>

## INDUSTRY RELATED TERMS

<b>Term</b>	<b>Description</b>
APIs	Active Pharmaceutical Ingredients
ACC	Advanced Chemistry Cell
AIDef	AI in Defence
AIFs	Alternative Investment Funds
AAY	Antodaya Ann Yojna
AI	Artificial Intelligence
APAC	Asia Pacific
AIC	Atal Incubation Centre
BGs	Bank Guarantees
BSNL	Bharat Sanchar Nigam Limited
BPA	Bisphenol A
BOT	Build-Operate-Transfer

<b>Term</b>	<b>Description</b>
CAZRI	Central Arid Zone Research Institute
CGST	Central Goods and Services Tax
CAGR	Compound Annual Growth Return
CEPA	Comprehensive Partnership Agreement
CPI	Consumer Price Index
CGSS	Credit Guarantee Scheme for Start-ups
CAD	Current Account Deficit
DPA	Deendayal Port Authority
DPP	Defence Procurement Procedure
DNTs	Denotified Tribes
DPIIT	Department for Promotion of Industry and Internal Trade
DPIIT	Department for Promotion of Industry and Internal Trade
DoS	Department of Space
ETPs	Effluent Treatment Plant
ESDM	Electronics System Design and Manufacturing
EPFO	Employees' Provident Fund Organisation
EAC	Experts' Advisory Committee
FMCG	Fast Moving Consumer Goods
FICCI	Federation of Indian Chambers of Commerce and Industry
FDI	Foreign Direct Investment
FPI	Foreign Portfolio Investment
FPIs	Foreign Portfolio Investors
FTAs	Free Trade Agreements
GII	Global Innovation Index
GST	Goods and Services Tax
GDP	Gross Domestic Product
GVA	Gross Value Added
HFIIs	High Frequency Indicators
IIP	Index of Industrial Production
IIP	Index of Industrial Production
IDRCL	India Debt Resolution Co. Ltd
IndAus ECTA	India-Australia Economic Cooperation and Trade Agreement
ICEA	Indian Cellular and Electronics Association
ICAR	Indian Council for Agricultural Research
ICAR	Indian Council of Agricultural Research
IISR	Indian Institute of Spices Research
INR	Indian rupees
Indian-IDDM	Indigenously Designed, Developed and Manufactured
IGST	Integrated Goods and Services Tax
IMARC	International Market Analysis Research and Consulting Group
IVL	Intravascular lithotripsy
KSMs	Key Starting Materials
LMT	Lakh Metric Tonnes
MMF	Man-Made Fibre
MRFs	Material Recovery Facilities
MSP	Maximum Selling Price
MFP	Mega Food Parks
MITRA	Mega Investment Textiles Parks
MoU	Memorandum of Understanding
MSME	Micro Small Medium Enterprise
MoSPI	Ministry of Statistics & Programme Implementation
M-SIPS	Modified Special Incentive Scheme
MNCs	Multi-National Corporations
NARCL	National Asset Reconstruction Company Ltd
NABARD	National Bank for Agriculture and Rural Development
NaBFID	National Bank for Financing Infrastructure and Development
NPE	National Policy on Electronics
PET	Polyethylene Terephthalate

<b>Term</b>	<b>Description</b>
PECF	Pondicherry Engineering College Foundation
PMGKAY	Pradhan Mantri Garib Kalyan Ann Yojana
PHH	Primary Household
PM-DevINE	Prime Minister's Development Initiative for North-East Region
PE	Private Equity
PLI	Production Linked Incentive
PPP	Public-Private Partnership
PMI	Purchasing Managers' Index
RMG	Ready Made Garment
R&D	Research and Development
RBI	Reserve Bank of India
SPECS	Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors
SEBI	Securities and Exchange Board of India
SEZ	Special Economic Zone
SDL	State Development Loans
SGST	State Goods and Services Tax
SPI	Strengthening of Pharmaceutical Industry
TTDF	Telecom Technology Development Fund
UAE	United Arab Emirates
UK	United Kingdom
US	United States
USOF	Universal Service Obligation Fund
VC	Venture Capitalist
WEO	World Economic Outlook
YoY	Year on Year

#### CONVENTIONAL TERMS / ABBREVIATIONS

<b>Term</b>	<b>Description</b>
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
Amt	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
BBA	Bachelor of Business Administration
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited
BSE SENSEX	Sensex in an index; market indicator of the position of stock that is listed in the BSE
Banking Regulation Act	The Banking Regulation Act, 1949
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note

<b>Term</b>	<b>Description</b>
Category I Alternate Investment Fund / Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I Foreign Portfolio Investor(s) / Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II Alternate Investment Fund / Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II Foreign Portfolio Investor(s) / Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III Alternate Investment Fund / Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CA	Chartered Accountant
CB	Controlling Branch
CDSL	Central Depository Services (India) Limited
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CSR	Corporate social responsibility.
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CENVAT	Central Value Added Tax
CIBIL	Credit Information Bureau (India) Limited
CST	Central Sales Tax
COVID – 19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CWA/ICWA/CMA	Cost and Works Accountant
CMD	Chairman and Managing Director
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification
Depository or Depositories	NSDL and CDSL.
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant’s Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
ESIC	Employee’s State Insurance Corporation
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017

<b>Term</b>	<b>Description</b>
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations.
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
GoI/Government	Government of India
GDP	Gross Domestic Product
GAAP	Generally Accepted Accounting Principles in India
GST	Goods and Service Tax
GVA	Gross Value Added
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICAI/ICMAI (Previously known as ICWAI)	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR / ₹/ Rupees/Rs.	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
i.e	That is
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
LM	Lead Manager
Ltd.	Limited
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, Government of India
MoF	Ministry of Finance, Government of India
M-o-M	Month-On-Month
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
MRP	Maximum Retail Price
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
MSMEs	Micro, Small and medium Enterprises
MoA	Memorandum of Association
NA	Not Applicable

<b>Term</b>	<b>Description</b>
Networth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure(to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRI	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended from time to time
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI (PFUTP) Regulations/ PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended
SICA	Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time

<b>Term</b>	<b>Description</b>
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
SPV	Special Purpose Vehicle
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAN	Tax Deduction Account Number
TDS	Tax Deducted at Source
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
US/United States	United States of America
UPI	Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors through SCSBs
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds as defined under the SEBI AIF Regulations
VAT	Value Added Tax
w.e.f.	With effect from
WIP	Work in process
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of regulation 2(1)(III) of the SEBI ICDR Regulations
YoY	Year over Year



## PRESENTATION OF FINANCIAL INDUSTRY AND MARKET DATA

### CERTAIN CONVENTIONS

All references in the Draft Red Herring Prospectus to “India” are to the Republic of India. All references in the Draft Red Herring Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

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

### USE OF FINANCIAL DATA

Unless stated otherwise, throughout this Draft Red Herring Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Draft Red Herring Prospectus is derived from our financial statements prepared and restated for the financial year ended on March 31, 2023, 2022 and 2021 on consolidated and standalone basis in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “*Restated Financial Statements*” beginning on page 177 of this Draft Red Herring Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“IFRS”) and the Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “Risk Factors”, “Business Overview”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in the Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Review Auditor, set out in section titled “*Restated Financial Statements*” beginning on page 177 of this Draft Red Herring Prospectus.

For additional definitions used in this Draft Red Herring Prospectus, see the section “*Definitions and Abbreviations*” on page 1 of this Draft Red Herring Prospectus. In the section titled “*Main Provisions of the Articles of Association*”, on page 259 of the Draft Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

### CURRENCY AND UNITS OF PRESENTATION

All references to:

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

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in “Lakhs” units. One Lakh represents 1,00,000. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

### USE OF INDUSTRY & MARKET DATA

Unless stated otherwise, industry and market data and forecast used throughout the Draft Red Herring prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications.

Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in the Draft Red Herring BRLM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, the section titled "*Basis for Issue Price*" on page 91 of the Draft Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

## FORWARD LOOKING STATEMENTS

All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. We have included statements in the Draft Red Herring Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward-looking statements.

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

1. Disruption in our manufacturing process.
2. Our ability to successfully implement our strategy, our growth and expansion, technological changes.
3. Fail to attract, retain and manage the transition of our management team and other skilled employees;
4. Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
5. Ability to respond to technological changes;
6. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
7. Inability to successfully obtain registrations in a timely manner or at all;
8. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
9. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
10. Recession in the market;
11. Changes in laws and regulations relating to the industries in which we operate;
12. Effect of lack of infrastructure facilities on our business;
13. Our ability to attract, retain and manage qualified personnel;
14. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
15. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
16. Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations.
17. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
18. Fluctuation in exchange rates worldwide.
19. Conflicts of interest with affiliated companies, the promoter group and other related parties;
20. The performance of the financial markets in India and globally;
21. Any adverse outcome in the legal proceedings in which we are involved;
22. Our ability to expand our geographical area of operation;
23. Concentration of ownership among our Promoters.

For further discussion of factors that could cause our actual results to differ, see the Section titled “*Risk Factors*”; “*Our Business*” & and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 27, 120 and 183 respectively of the Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Neither our Company, our Directors, our Officers, Book Running Lead Manager and Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising

after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company, and the Book Running Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

## SECTION II – SUMMARY OF OFFER DOCUMENT

### SUMMARY OF BUSINESS

Our company is mainly engaged in the business of manufacturing of a wide range of PET Bottles and PET Preforms which includes PET Bottles for Pharmaceutical application, Liquor application, FMCG Packaging, House Hold applications, Dish wash liquid packaging, Repellent dispenser etc. and PET Preforms for Soft Drinks bottles, Packaged Drinking Water bottle and Juice bottles.

For further details, please refer chapter titled “*Our Business*” beginning on Page 120 of this Draft Red Herring Prospectus.

### SUMMARY OF INDUSTRY

Polyethylene terephthalate (PET) bottle market, valued at USD 95,400 million in 2022, will reach USD 132583.69 million by 2030, growing at a CAGR of 4.20% during the forecast period of 2023 to 2030. In addition to the insights on market scenarios such as market value, growth rate, segmentation, geographical coverage, and major players, the market reports curated by the Data Bridge Market Research also include in-depth expert analysis, geographically represented company-wise production and capacity, network layouts of distributors and partners, detailed and updated price trend analysis and deficit analysis of supply chain and demand.

For further details, please refer chapter titled “*Industry Overview*” beginning on Page 100 of this Draft Red Herring Prospectus.

### OUR PROMOTERS

Our company is promoted by Mr. Parasmal Mahendra Kumar, Mr. Parasmal Ravindra Kumar, Mr. Parasmal Dharmendra Kumar, Mr. Misrilal Parasmal, Mrs. P Umrao, Mrs. Mahendrakumar Nirmala, Mrs. R Asha Jain and Mrs. D Anita

### SIZE OF THE ISSUE

<b>Present Issue of Equity Shares by our Company</b>	Up to 47,40,000 Equity shares of ₹10/- each for cash at a price of ₹ [●]/- per Equity shares aggregating to ₹ [●] Lakhs
<b>Of which:</b>	
<b>Issue Reserved for the Market Maker</b>	[●] Equity shares of ₹10/- each for cash at a price of ₹ [●]/- per Equity shares aggregating to ₹ [●] Lakhs
<b>Net Issue</b>	[●] Equity shares of ₹10/- each for cash at a price of ₹ [●]/- per Equity shares aggregating to ₹ [●] Lakhs

### OBJECT OF THE ISSUE

The fund requirements for each of the Object of the Issue are stated as below:

Sr No	Particulars	Amount
1.	Funding capital expenditure for developing new manufacturing facilities and installation of Plant and Machinery	1,567.01
2.	Funding of capital expenditure requirements of our Company towards purchase of Solar Power Plant	1040.17
3.	Purchase of Plant and Machinery at our existing Manufacturing facility	104.43
4.	Funding Working Capital Requirements of our Company	[●]
5.	General corporate purposes <sup>#</sup>	[●]
	<b>Total</b>	[●]

<sup>#</sup>The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the Issue.

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

For further details, refer chapter titled “*Capital Structure*” beginning on page 67 of this Draft Red Herring Prospectus.

Names	Pre- Issue		Post Issue	
	Shares Held	% Shares Held	Shares Held	% Shares Held
<b>Promoters</b>				
Mrs. Mahendrakumar Nirmala	26,35,267	20.55	26,35,267	[●]
Mrs. R Asha Jain	13,03,433	10.16	13,03,433	[●]
Mr. Parasmal Ravindra Kumar	13,25,399	10.33	13,25,399	[●]
Mrs. D Anita	11,30,000	8.81	11,30,000	[●]
Mr. Parasmal Mahendra Kumar	8,40,778	6.56	8,40,778	[●]
Mrs. P Umrao	3,60,000	2.81	3,60,000	[●]
Mr. Misrilal Parasmal	50,000	0.39	50,000	[●]
Mr. Parasmal Dharmendra Kumar	50,000	0.39	50,000	[●]
<b>TOTAL A</b>	<b>76,94,877</b>	<b>60.00</b>	<b>76,94,877</b>	
<b>Promoter Group</b>				
<b>TOTAL B</b>	--	--	--	--
<b>GRAND TOTAL (A+B)</b>	<b>76,94,877</b>	<b>60.00</b>	<b>76,94,877</b>	<b>[●]</b>

## SUMMARY OF RESTATED FINANCIAL STATEMENT

### Consolidated Restated Financials

(₹ in Lakhs)

Particulars	For the year ended March 31	
	2023	2022
Share Capital	1,282.48	600.00
Net worth	2,037.09	631.53
Total Revenue	4,589.10	4,986.51
Profit after Tax	302.19	13.01
Earnings Per Share	4.99	0.22
Net Asset Value Per Share (₹) (Pre Bonus)	33.95	10.53
Net Asset Value Per Share (₹) (Post Bonus)	33.95	10.31
Total borrowings	5,879.54	1,495.61

### Standalone Restated Financials

(₹ in Lakhs)

Particulars	For the year ended March 31		
	2023	2022	2021
Share Capital	1,282.48	600.00	600.00
Net worth	2,021.55	631.53	618.52
Total Revenue	4,589.10	4,986.51	3,533.97
Profit after Tax	302.19	13.01	6.91
Earnings Per Share	4.99	0.22	0.12
Net Asset Value Per Share (₹) (Pre Bonus)	15.76	10.53	10.31
Net Asset Value Per Share (₹) (Post Bonus)	15.76	10.53	10.31
Total borrowings	1,589.59	1,495.61	1,515.58

For further information, please refer to chapter titled as “Restated Financial Statements” on page 177 of this Draft Red Herring Prospectus.

There are no material Auditor’s Qualifications which have not been given effect to in the Restated Financial Information.

For further information, please refer to chapter titled as “Restated Financial Statements” on page 177 of this Draft Red Herring Prospectus.

## SUMMARY OF OUTSTANDING LITIGATION ARE AS FOLLOWS:

A summary of pending legal proceedings and other material litigations involving our Company, Directors, Promoters, Subsidiaries and Group Companies is provided below:

(₹ in Lakhs)

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved
<b>Company</b>						
By the Company	NA	NA	NA	NA	NA	NA
Against the Company	NA	4	NA	NA	NA	1.19
<b>Directors</b>						
By our directors	NA	NA	NA	NA	NA	NA
Against the Directors	NA	3	NA	NA	NA	134.50
<b>Promoters</b>						
By Promoters	NA	NA	NA	NA	NA	NA
Against Promoters*	NA	NA	NA	NA	NA	NA
<b>Subsidiaries</b>						
By Subsidiaries	NA	NA	NA	NA	NA	NA
Against Subsidiaries	NA	4	NA	NA	NA	5.59
<b>Group Companies</b>						
By Group Companies	NA	NA	NA	NA	NA	NA
Against Group Companies	NA	NA	NA	NA	NA	NA

**Brief details of top 5 Criminal Case against our Promoters:**

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved
1.	NA	NA	NA	NA

For further information, please refer chapter titled “*Outstanding Litigations and Material Developments*” on page 195 of this Draft Red Herring Prospectus.

Investors should read chapter titled “*Risk Factors*” beginning on page 27 of this Draft Red Herring Prospectus to get a more informed view before making any investment decisions.

**SUMMARY OF CONTINGENT LIABILITIES**

There is no Contingent Liability as on date. For Further details, please refer chapter titled “*Restated Financial Statements*” beginning on page 177 of this Draft Red Herring Prospectus.

**SUMMARY OF RELATED PARTY TRANSACTIONS**

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

**Consolidated Restated Financials**

Particular	Designation	Date of Appointment as Director/KMP
Parasmal Mahendra Kumar	Key Managerial Personnel (KMP): - Director	05-05-2011
Parasmal Ravindra Kumar	Key Managerial Personnel (KMP): - Director	05-05-2011
Mahendrakumar Nirmala	Key Managerial Personnel (KMP): - Director	05-05-2011
Sujathaa Mehta	Key Managerial Personnel (KMP): - Director	15-10-2021

*Transactions carried out with related parties in ordinary course of business*

(₹ in Lakhs)

Nature of Transactions	31-03-2023
Godown rent Paid to Srinivas packaging (Relative of director)	7.49
<b>Total</b>	<b>7.49</b>

*Details of Interest Paid to Related Parties*

(₹ in Lakhs)

Particulars	Relation	31-03-2023	31-03-2022	31-03-2021
Mahendra Kumar. P	(Director)	9.04	7.80	7.59
Mr. Dharmendar Kumar	(Relative of Director)	10.82	8.82	7.81
P. Ravindrakumar	(Director)	4.64	4.19	3.77
Anitha	(Relative of Director)	6.22	5.62	5.16
Asha	(Relative of Director)	2.08	1.52	1.48
P Varsha	(Relative of Director)	3.70	3.34	3.01
M Gautam	(Relative of Director)	16.01	9.46	10.91
R Ayush Jain	(Relative of Director)	1.86	1.35	1.22
Lakshya Jain	(Relative of Director)	1.00	0.90	0.81
Rakshita Jain	(Relative of Director)	4.04	3.98	3.97
D Diriti Jain,	(Relative of Director)	1.78	6.74	6.61
Misiral Parasmal HUF	(Relative of Director)	5.83	5.26	5.26
Mahendra Kumar HUF	(Relative of Director)	3.67	2.10	1.89
Dharmendra Kumar HUF	(Relative of Director)	0.20	0.00	0.00
Prasmal Ravindra Kumar HUF	(Relative of Director)	1.10	0.00	0.00
Umrao	(Relative of Director)	2.29	1.48	1.44
Kawadd Polymers	(Relative of Director)	8.84	11.15	11.15
Newton Polymers Pvt Ltd	(Relative of Director)	12.32	0.02	0.02
Shivani	(Relative of Director)	0.00	0.00	0.00
Megha	(Relative of Director)	0.60	0.00	0.00
<b>Total</b>		<b>96.06</b>	<b>73.72</b>	<b>72.08</b>

*Outstanding as at the year end*

(₹ in Lakhs)

Particulars	Relation	As at
		31-03-2023
<i>Loans from Directors and Related parties</i>		
Asha Swashtikm Group Loan & Expenses	(Relative of Director)	0.20
Mahendra Kumar. P	(Director)	100.22
Mr. Dharmendar Kumar	(Relative of Director)	82.07
Nirmala Loan	(Director)	1.68
P. Ravindrakumar	(Relative of Director)	41.03
Anitha	(Relative of Director)	39.58
Asha	(Relative of Director)	24.78
P Varsha	(Relative of Director)	34.38
M Gautam	(Relative of Director)	128.74
R Ayushh Jain	(Relative of Director)	13.97
Lakshya Jain	(Relative of Director)	9.20
Rakshita Jain	(Relative of Director)	0.03
D Diriti Jain,	(Relative of Director)	0.34
Misiral Parasmal HUF	(Relative of Director)	33.68
Mahendra Kumar HUF	(Relative of Director)	49.68
Dharmendra Kumar HUF	(Relative of Director)	10.28
Prasmal Ravindra Kumar HUF	(Relative of Director)	22.99
Umrao	(Relative of Director)	25.73
Kawadd Polymers	(Relative of Director)	26.93
Newton Ploymers Pvt Ltd	(Relative of Director)	0.00
Shivani	(Relative of Director)	1.30
Megha	(Relative of Director)	15.48
Srinivasa packaging	(Relative of Director)	8.28



Particulars	Relation	As at
		31-03-2023
Swashthik pet packaging	(Relative of Director)	48.11

### Standalone Restated Financials

Particular	Designation	Date of Appointment as Director/KMP
Parasmal Mahendra Kumar	Key Managerial Personnel (KMP): - Director	05-05-2011
Parasmal Ravindra Kumar	Key Managerial Personnel (KMP): - Director	05-05-2011
Mahendrakumar Nirmala	Key Managerial Personnel (KMP): - Director	05-05-2011
Sujathaa Mehta	Key Managerial Personnel (KMP): - Director	15-10-2021
Swashthik Preforms Private Limited	Subsidiary Company	28-03-2023
Swashthik Industries	Entities in which promoters have significant influence	28-03-2023

### *Transactions carried out with related parties in ordinary course of business*

(₹ in Lakhs)

Nature of Transactions	31-03-2023	31-03-2022	31-03-2021
Purchase from Swashthik Preforms Pvt ltd (subsidiary company)	862.67	1174.22	557.16
Purchase From Swashthik Industries (associate Firm)	1151.55	924.04	251.61
Sales to Swashthik Industries (Associate Firm)	297.57	919.03	435.12
Sales to Swashthik Preforms Pvt ltd (subsidiary company)	306.45	395.64	47.47
Godown rent Paid to Srinivas packaging (Relative of director)	7.49	7.49	7.49
<b>Total</b>	<b>2625.73</b>	<b>3420.42</b>	<b>1298.86</b>

### *Details of Interest Paid to Related Parties*

(₹ in Lakhs)

Particulars	Relation	31-03-2023	31-03-2022	31-03-2021
Mahendra Kumar. P	(Director)	9.04	7.80	7.59
Dharmendar Kumar	(Relative of Director)	10.82	8.82	7.81
P.Ravindrakumar	(Director)	4.64	4.19	3.77
Anitha	(Relative of Director)	6.22	5.62	5.16
Asha	(Relative of Director)	2.08	1.52	1.48
P Varsha	(Relative of Director)	3.70	3.34	3.01
M Gautam	(Relative of Director)	16.01	9.46	10.91
R Ayushh Jain	(Relative of Director)	1.86	1.35	1.22
Lakshya Jain	(Relative of Director)	1.00	0.90	0.81
Rakshita Jain	(Relative of Director)	4.04	3.98	3.97
D Diriti Jain,	(Relative of Director)	1.78	6.74	6.61
Misiral Parasmal HUF	(Relative of Director)	5.83	5.26	5.26
Mahendra Kumar HUF	(Relative of Director)	3.67	2.10	1.89
Dharmendra Kumar HUF	(Relative of Director)	0.20	0.00	0.00
Prasmal Ravindra Kumar HUF	(Relative of Director)	1.10	0.00	0.00
Umrao	(Relative of Director)	2.29	1.48	1.44
Kawadd Polymers	(Relative of Director)	8.84	11.15	11.15
Newton Polymers Pvt Ltd	(Relative of Director)	12.32	0.02	0.02
Shivani	(Relative of Director)	0.00	0.00	0.00
Megha	(Relative of Director)	0.60	0.00	0.00
<b>Total</b>		<b>96.06</b>	<b>73.72</b>	<b>72.08</b>

### *Outstanding as at the year end*

(₹ in Lakhs)

Particulars	Relation	Amounts Due to		
		31.03.2023	31.03.2022	31.03.2021
<i>Loans from Directors and Related parties</i>				
Asha Swashthikm Group Loan & Expenses	(Relative of Director)	0.20	0.20	0.20
Mahendra Kumar. P	(Director)	100.22	72.04	65.02
Mr.Dharmendar Kumar	(Relative of Director)	82.07	90.16	67.22
Nirmala Loan	(Director)	1.68	0.00	0.00

Particulars	Relation	Amounts Due to		
		31.03.2023	31.03.2022	31.03.2021
P.Ravindrakumar	(Relative of Director)	41.03	38.68	34.91
Anitha	(Relative of Director)	39.58	51.87	46.82
Asha	(Relative of Director)	24.78	14.04	12.68
P Varsha	(Relative of Director)	34.38	30.86	27.85
M Gautam	(Relative of Director)	128.74	105.64	98.50
R Ayushh Jain	(Relative of Director)	13.97	8.88	8.77
Lakshya Jain	(Relative of Director)	9.20	8.30	7.49
Rakshita Jain	(Relative of Director)	0.03	36.75	33.17
D Diriti Jain,	(Relative of Director)	0.34	19.74	56.18
Misiral Parasmal HUF	(Relative of Director)	33.68	28.40	43.86
Mahendra Kumar HUF	(Relative of Director)	49.68	19.37	17.48
Dharmendra Kumar HUF	(Relative of Director)	10.28	0.00	0.00
Prasmal Ravindra Kumar HUF	(Relative of Director)	22.99	0.00	0.00
Umrao	(Relative of Director)	25.73	13.66	12.33
Kawadd Polymers	(Relative of Director)	26.93	108.41	107.37
Newton Polymers Pvt Ltd	(Relative of Director)	0.00	2.70	0.00
Shivani	(Relative of Director)	1.30	1.30	1.30
Megha	(Relative of Director)	15.48	0.00	0.00
Srinivasa Packaging	(Relative of Director)	8.28	19.75	18.37
Swasthik Industriees	(Associate firm)	23.59	48.69	0.00
Swasthik Pet packaging	(Relative of Director)	48.11	66.83	27.00
Swasthik preforms Pvt Ltd	(Subsidiary company)	4.21	0.64	52.03

For details of Restated related party transaction, please refer chapter titled “Restated Financial Statements” beginning on page 177 of this Draft Red Herring Prospectus.

There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of 6 (six) months immediately preceding the date of this Draft Red Herring Prospectus.

#### FINANCING ARRANGEMENTS

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

#### WEIGHTED AVERAGE PRICE OF EQUITY SHARES ACQUIRED BY OUR PROMOTERS

Name of the Promoters	No. of Shares held	Weighted Average Cost of Acquisition per Share (In Rs.) *
Mrs. Mahendrakumar Nirmala	26,35,267	15.67
Mrs. R Asha Jain	13,03,433	15.67
Mr. Parasmal Ravindra Kumar	13,25,399	15.67
Mr. Parasmal Mahendra Kumar	8,40,778	15.67

The weighted average cost of acquisition of Equity Shares by our Promoters have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them divided by number of shares acquired in last one (1) year.

\*As certified by M/s. PSDY & Associates, Chartered Accountants through their certificate dated September 27, 2023

#### AVERAGE COST OF ACQUISITION OF PROMOTERS

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

Name of the Promoters	No. of Shares held	Average Cost of Acquisition per Share (In Rs.) *
Mrs. D Anita	11,30,000	5.33
Mrs. Mahendrakumar Nirmala	26,35,267	14.81

<b>Name of the Promoters</b>	<b>No. of Shares held</b>	<b>Average Cost of Acquisition per Share (In Rs.) *</b>
Mrs. R Asha Jain	13,03,433	12.45
Mr. Misrilal Parasmal	50,000	0.00
Mr. Parasmal Ravindra Kumar	13,25,399	12.59
Mr. Parasmal Dharmendra Kumar	50,000	0.00
Mr. Parasmal Mahendra Kumar	8,40,778	13.31
Mrs. P Umrao	3,60,000	10.00

*The average cost of acquisition of Equity Shares by our Promoters have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them as reduced by amount received on sell of shares i.e., net of sale consideration is divided by net quantity of shares acquired.*

*\*As certified by M/s. PSDY & Associates, Chartered Accountants through their certificate dated September 27, 2023*

#### **DETAILS OF PRE-IPO PLACEMENT**

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

#### **ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE (1) YEAR**

Except shares issued for consideration other than cash for acquisition of shares of subsidiaries as disclosed in chapter titled “*Capital Structure*” beginning on Page 67 of this Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus.

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

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

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

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

### SECTION III – RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a better understanding, you should read this section together with “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 120 and 183, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.*

*If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our cash flows, business, financial condition and results of operations could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the impact is not quantifiable and hence the same has not been disclosed in such risk factors. Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. Before making an investment decision, investors must rely on their own examination of the Issue and us.*

*This Draft Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.*

*In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “Risk Factors” on page 27 and “Management Discussion and Analysis of Financial Condition and Results of Operations” on page 183 respectively of this Draft Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “Financial Information of our Company” prepared in accordance with the Indian Accounting Standards.*

#### **MATERIALITY**

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

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

#### **INTERNAL RISK FACTORS**

- 1. Our Company, our Promoters, our Directors and our Group Companies are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, result of operations and financial conditions.**

Our Company, our Promoters, our Directors and our Group Companies are parties to certain legal proceedings in terms of Income Tax demands which are pending at different levels of adjudication before competent authority. We cannot assure you that these proceedings will be decided in favour of Our Company, our Promoters, our Directors or our Group

Companies as the case may be. Further, there is no assurance that similar proceedings will not be initiated against all of us in the future. Any adverse outcome in any of the below mentioned proceedings could have an adverse effect on our reputation and may affect our future business, prospects, financial condition and results of operations. It further may divert the attention of our management and promoters and waste our corporate resources. For details of these proceedings, see “*Outstanding Litigation and Material Developments*” on beginning from page 195 of this Draft Red Herring Prospectus. A classification of these legal and other proceedings is given below:

*(Rs. In Lakhs)*

Sr. No.	Outstanding Litigation	Number of Matter	Financial Implications to the Extent Quantifiable
<b>1.</b>	<b>Filed against the Company</b>		
	<i>Direct Tax</i>	4	1.19
<b>2.</b>	<b>Filed against our Directors &amp; Promoters</b>		
	<i>Direct Tax</i>	3	134.49
<b>3.</b>	<b>Filed against our Group Companies</b>		
	<i>Direct Tax</i>	4	5.59
	<b>Total</b>		<b>141.29</b>

*Note: The amount mentioned above may be subject to additional interest, rates or Penalties being levied by the concerned authorities for delay in making payment or otherwise. In the absence of Order copy of the Income Tax Authority, the nature, extents and status of the Cases cannot be ascertained.*

2. ***Our success mainly depends on sectors specific to PET bottle industry in which we cater to and therefore as a result we may be affected by any disruptions in the industry. Any failure on our part to do so, may have an impact on the reputation of our products, which could have an adverse effect on our revenue, reputation, financial conditions, results of operations and cash flows.***

Our success mainly depends on sectors specific to PET bottle industry in which we cater to. The markets in which we and our customers operate is characterized by changing technology, evolving industry standards and demands for features, and continual product innovation. These conditions may also result in significant competition. If the end-user demand is low for our customers’ products, there may be significant changes in the orders from our customers and we may experience greater pricing pressures. Therefore, risks that could harm the customers of our industry could, as a result, adversely affect us as well. Our success is therefore dependent on the success achieved by our customers in developing and marketing their products. If our customers’ technologies become obsolete or fail to gain widespread commercial acceptance, our customers may experience a reduced demand for their products which may affect our sales to such customers, operating margins depending on the nature of the product, and all of these combined may gradually result in a loss of customers including key ones. However, there can be uncertainty regarding the development and production of these products as planned and failure to anticipate or respond rapidly to advances in technology can have a material adverse effect on our business, results of operations, financial condition and cash flows.

For further details, kindly refer to chapter titled “*Our Business*” beginning on Page 120 of Draft Red Herring Prospectus.

3. ***Concerns over Plastic Ban and Environment for packaged water bottles.***

We use PET (Polyethylene Terephthalate) for producing ‘PET Preforms’ for producing ‘Bottle Caps’ as Raw Materials. Both of these materials are one of the safest plastics and can be recycled very easily. Therefore, not likely to be banned, however if in future any restriction on the use of recyclable PET products for packing may adversely affect our business.

For further details, kindly refer to chapter titled “*Our Business*” beginning on Page 120 of Draft Red Herring Prospectus.

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

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

For further details, kindly refer to chapter titled “*Our Business*” beginning on Page 120 of Draft Red Herring Prospectus.

**5. *Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.***

Our business is significantly dependent on the efficient and uninterrupted operation of our technological infrastructure installed in our manufacturing unit, that ensures smooth operations through various automated machines. Changes in technology may render our current technologies obsolete or require us to make substantial capital investments. Our technology and machineries may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. Although we believe that we have installed latest technology and that the chances of a technological innovation are not very high in our sector we shall continue to strive to keep our technology, plant and machinery in line with the latest technological standards. In case of a new found technology, we may be required to implement new technology or upgrade the machineries and other equipment’s employed by us. Further, the costs in upgrading our technology and modernizing the plant and machineries are significant which could substantially affect our finances and operations.

For further details, kindly refer to chapter titled “*Our Business*” beginning on Page 120 of Draft Red Herring Prospectus.

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

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

For further details, kindly refer to chapter titled “*Our Business*” beginning on Page 120 of Draft Red Herring Prospectus.

**7. *We do not have any documents evidencing certain information included in the Director biographies for some of our Directors under the section “Our Management” of this Draft Red Herring Prospectus.***

We do not have any documents evidencing certain information included in the Director biographies for some of our Directors, under the section “*Our Management-Brief Biographies*” on page 151. The Information included in the section are based on the details provided by our Directors and are supported by an affidavit executed by them certifying the authenticity of the information provided. Accordingly, the Book Running Lead Manager to the Issue and us have placed reliance on declarations, undertakings and affidavits furnished by them, to disclose the details of their experience and education in this Draft Red Herring Prospectus and we have not been able to independently verify these details in the absence of primary documentary evidence. Further, there can be no assurances that they will be able to trace the relevant documents pertaining to their experience and education details in the future, or at all. Therefore, we cannot assure you that all or any of the information relating to their Experience and Educational Qualification included in “*Our Management*” on page 151 is complete, true and accurate.

**8. *We face competition in our business from organized and unorganized players, which may adversely affect our business operation and financial condition.***

We may have to confront pressures in respect of pricing; product quality etc. from the clients and such pressures may put strain on our profit margins which may consequently affect the financial position of our Company. Competition emerges not only from the organized sector but also from the unorganized sector and from both small and big players. Our Competitiveness also depends on the existing & new supply of products and our inability to compete with this intense competition; will have material adverse impact on our Company’s financial position.

**9. *We are dependent on third party transportation providers for the delivery of our raw material and Finished products. Accordingly, continuing increases in transportation costs or unavailability of transportation services for them, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects.***

We use third party transportation providers for the delivery of our raw material and Finished products. Transportation strikes could have an adverse effect on our receipt of raw materials and our ability to deliver our products to our customers. In addition, transportation costs in India have been steadily increasing over the past several years. Continuing increases in transportation costs or unavailability of transportation services for our products may have an adverse effect on our business, financial condition, results of operations and prospects.

In addition, India's physical infrastructure is less developed than that of many developed nations, and problems with its road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including our supply of raw materials and the delivery of our products to customers by third-party transportation providers. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have a material adverse effect on our results of operations and financial condition.

**10. *There have been some instances of delays in the past with certain statutory authorities and non-compliances with certain provision of statutory regulations applicable to us. If the authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.***

In the past, there have been some instances of delays/ non-filing/ non-compliance with certain statutory authorities with certain provision of statutory regulations applicable to us such as:

- Delay in filing of Annual Returns and Financial Statements for the F.Y 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2019-20, 2020-21 and 2021-22.
- Our Company has filed incorrect annual return for the year 2012-13 in respect of shareholding pattern of Company and designation of all the Director is wrongly filled in Annual Returns of the Company.
- Our Company has not complied for AS-15 in Audited Financial Statements with regard to gratuity provision but the same is compiled in Restated Financial Statement of the Company.
- In the Annual Return of F.Y. 2015-16, 2016-17, 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22 all directors were appointed as Non-Executive Directors and 1 was appointed as Executive Director. But in Form, all Directors were mentioned as Executive Directors.
- The Company has paid remuneration to Non-Executive Directors in the past years. While no legal proceedings or regulatory action has been initiated against our Company in relation to such non-compliance and instances of non-filings or incorrect filings or delays in filing statutory forms with the RoC as of the date of this Draft Red Herring Prospectus.

We cannot assure you that legal proceedings or regulatory actions will not be initiated against our Company in future and we cannot assure you that we will not be subject to penalties imposed by regulatory authorities in this respect. Therefore, if the authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.

**11. *Our existing manufacturing facility are concentrated in a single region i.e., Puducherry, Pondicherry and the inability to operate and grow our business in this particular region may have an adverse effect on our business, financial condition, results of operations, cash flows and future business prospects.***

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

Further, any materially adverse social, political or economic development, civil disruptions, or changes in the policies of the state government or state or local governments in this region could adversely affect our manufacturing operations, and require a modification of our business strategy, or require us to incur significant capital expenditure or suspend our operations. Any such adverse development affecting continuing operations at our manufacturing facility could result in significant loss due to an inability to meet customer contracts and production schedules, which could materially affect our business reputation within the industry. The occurrence of or our inability to effectively respond to, any such events or effectively manage the competition in the region, could have an adverse effect on our business, results of operations, financial condition, cash flows and future business prospects. Further, continuous addition of industries in and around our manufacturing facility without commensurate growth of its infrastructural facilities may put pressure on the existing infrastructure therein, which may adversely affect our business.

**12. *Improper handling of our products, or spoilage and damage to our products, could damage our reputation and may have an adverse effect on our business, results of operations and financial condition.***

Our products are subject to risks during their transport or storage. Any shortcoming in the transport or storage of our products due to negligence, human error or otherwise, may damage our products and result in noncompliance with applicable quality standards. Any claim that our products do not match requisite quality standards could damage our reputation, adversely affect our sales and result in legal proceedings being initiated against us, irrespective of whether such allegations have any factual basis. We sell our products, directly to customers and if the products sold by those customers are found to be faulty on account of our products, our customers may return our goods, terminate their relationships with us and initiate legal proceedings against us. We cannot assure you that we will not be subject to such product liability claims in the future. Should any of our products be perceived or found to be faulty, we may be subject to regulatory action, product recalls and our reputation, business, results of operations and financial condition may be adversely affected. We may also be exposed to liability from consumers for defects in the quality of our products.

**13. *Our insurance coverage may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.***

Our business and assets could suffer damage from fire, natural calamities, misappropriation or other causes, resulting in losses, which may not be fully compensated by insurance. There can be no assurance that the terms of our insurance policies will be adequate to cover any damage or loss suffered by our Company or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim.

Further, our Company is required to renew these insurance policies from time to time and in the event, we fail to renew the insurance policies within the time period prescribed in the respective insurance policies or not obtain at all, our Company may face significant uninsured losses. If our Company suffers a large uninsured loss or if any insured loss suffered, significantly exceeds our insurance coverage, our business, financial condition and results of operations may be adversely affected.

**14. *If we are unable to source business opportunities effectively, we may not achieve our financial objectives.***

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees and to implement systems capable of effectively accommodating our growth. However, we cannot assure you that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It is also possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analyses of market and other data or the strategies we use or plans in future to use will be successful under various market conditions.

**15. *Our Company if not able to manage our growth or to successfully implement our business plan could have an effect on our business, results of operations and financial condition.***

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy involves focusing on Optimal Utilization of Resources and Increasing Operational efficiency. For further details, see the section titled “*Our Business*” on page 120 of this Draft Red Herring Prospectus. Our success in implementing our growth strategies may be affected by:

- Our ability to identify new markets to expand;



- Our ability to maintain the quality of our products;
- Changes in the Indian regulatory environment in field

If our Company is not able to execute our strategy on time and within our estimated budget, or that our expansion and development plans will increase our profitability. Any of these factors could impact our results of operations. Further, we expect our growth strategy to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and implement our growth strategy could have an effect on our business, financial condition and profitability.

**16. *The property used by the Company for the purpose of its operations is not owned by us. Any termination of the relevant rent agreement in connection with such property or our failure to renew the same could adversely affect our operations.***

Our registered office, factory and warehouse including our sales depot are not owned by us. We have obtained these properties on lease vide lease agreements. Also, our Lease Agreement are not registered. Any termination of the lease in connection with these properties or our failure to renew the same, in a timely manner or at all could adversely affect our operations.

If we are required to vacate the current premises, we would be required to make alternative arrangements for our business activities and we cannot assure that the new arrangements will be on commercially acceptable/favourable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

For details regarding properties taken on lease refer the Section titled - Properties – “Our Business” beginning on page 120 of this Draft Red Herring Prospectus.

**17. *We depend on the success of our relationships with our customers. We derive a significant part of our revenue from our top 10 customers and we do not have long term contracts with these customers. If one or more of such customers choose not to source their requirements from us, our business, financial condition and results of operations may be adversely affected.***

Our top ten customers have contributed 34.8%, 40.63% and 41.43%, of our revenues for the period ended March 31, 2023, March 31, 2022 and March 31, 2021 based on Restated Financial Statements

Given the nature of our business, there can be no assurance that we would be able to attract new customers or reduce our dependence on any of our top customers. We expect that we will continue to be reliant on our major customers for the foreseeable future. Accordingly, any failure to retain these customers or to remain suppliers to these customers and/or negotiate and execute contracts on terms that are commercially viable, with these select customers, could adversely affect our business, financial condition and results of operations. In addition, any defaults or delays in payments by a major customer or the insolvency or financial distress by a major customer may have an adverse effect on business, financial condition and results of operations.

Cancellation by customers or delay or reduction in their orders or instances where anticipated orders fail to materialize can result in mismatch between our expectant and existing inventory levels at our unit, thereby increasing our costs relating to maintaining our inventory and reduction of our margins, which may adversely affect our profitability and liquidity. Further, we may not find any customers or purchasers for the surplus or excess capacity, in which case we would be forced to incur a loss. Further, our inability to find customers for surplus products may result in excessive inventories which may become obsolete and may be required to be written off in the future.

Additionally, our customers have high and stringent standards for product quality and quantity as well as delivery schedules. Any failure to meet our customers’ expectations could result in the cancellation or non-renewal of contracts or purchase orders. There are also several factors, other than our performance that could cause the loss of a customer, which include those customers who may demand price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, or replace their existing products with alternative products, any of which may have an adverse effect on our business, financial condition, results of operations and prospects.

**18. *Our top ten suppliers contribute majority of our purchases. Any loss of business with one or more of them may adversely affect our business operations and profitability.***

Our top ten suppliers contributed approximately 65%, 55% and 48% of our total purchases for the period ended March 31, 2023, March 31, 2022 and March 31, 2021 based on Restated Financial Statements. However, our top suppliers may vary from period to period depending on the demand-supply mechanism and thus the supply process from these suppliers might change as we continue to seek more cost-effective suppliers in normal course of business. Since our business is concentrated among relatively few significant suppliers, we could experience a reduction in our purchases and business operations if we lose one or more of these suppliers, including but not limited on account of any dispute or disqualification.

While we believe we have maintained good and long-term relationships with our other suppliers too, there can be no assurance that we will continue to have such long-term relationship with them. We cannot assure that we shall do the same quantum of business, or any business at all, with these customers, and loss of business with one or more of them may adversely affect our purchases and business operations.

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

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

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

These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavor to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty. For further details regarding the material approvals, licenses, registrations and permits, which have not been obtained by our Company or are, pending renewal, see “*Government and Other Approvals*” on page 200 of this Draft Red Herring Prospectus.

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

**20. *Our Company has entered into related party transactions in the past and may continue to enter into related party transactions in the future, which may potentially involve conflicts of interest with the equity shareholders.***

Our Company have entered into certain related party transactions with our Promoters, members of the promoter group, Directors and our Group Companies in the past which are in compliance with applicable provisions of Companies Act, 2013 and all other applicable laws. For details, please see “*Note No.31 Restated Statement of Related Party Disclosures of Restated Consolidated & Standalone Financial Statements*” under the chapter titled “*Restated Financial Statements*” beginning on page 177177 of this Draft Red Herring Prospectus. While our Company believes that all such transactions have been conducted on the arm’s length basis, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with unrelated parties. Further, it is likely that we may enter into related party transactions in the future and such transactions may potentially involve conflicts of interest. In terms of the Companies Act, 2013 and SEBI LODR Regulations, we are required to adhere to various compliance requirements such as obtaining prior approvals from our Audit Committee, Board and Shareholders for certain party transactions and our undertakes that such related party transactions shall not be done against the interests of the Company and its shareholders as prescribed in the SEBI LODR Regulations. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

**21. We have a substantial amount of outstanding indebtedness, which requires significant cash flows to service and are subject to certain conditions and restrictions in terms of our financing arrangements, which restricts our ability to conduct our business and operations in the manner we desire.**

As of March 31, 2023, our long-term borrowings were ₹ 683.90 Lakhs & short-term borrowings were ₹ 905.69 Lakhs and we will continue to incur additional indebtedness in the future. Our level of indebtedness has important consequences to us, such as:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our ability to borrow additional amounts in the future;
- affecting our capital adequacy requirements; and
- Increasing our finance costs.

In the event we breach any financial or other covenants contained in any of our financing arrangements or in the event we had breached any terms in the past which is noticed in the future, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. If the lenders of a material amount of the outstanding loans declare an event of default simultaneously, our Company may be unable to pay its debts when they fall due. For further details of our Company's borrowings, see "Restated Financial Statements" on page 177 of this Draft Red Herring Prospectus.



**22. Our Company logo "SWASHTHIK Plascon" is not registered with Registrar of Trademark; any infringement of our brand name or failure to get it registered may adversely affect our business. Further, any kind of negative publicity or misuse of our brand name could hamper our brand building efforts and our future growth strategy could be adversely affected.**



Our Company has made an application for registration with the Registrar of Trademark for registration of logo "SWASHTHIK Plascon". If we are unable to register the intellectual property in the future in our name or any objection on the same may require us to change our logo and hence may loose on the goodwill created so far. Further, the same may involve costly litigations and penal provisions if some legal consequences arise if someone from outside use our name and logo of the Company. We believe that our future growth and competitiveness would depend on our ability to establish and strengthen our brand. We cannot guarantee that we will be able to make a lasting brand image with our clients and other people in the absence of a logo. Although, we believe that our present systems are adequate to protect our confidential information and intellectual property, there can be no assurance that our intellectual property data, trade secrets or proprietary technology will not be copied, infringed or obtained by third parties. Further, 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. This may lead to litigations and any such litigations could be time consuming and costly and their outcome cannot be guaranteed. Our Company may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property, which may adversely affect our business, financial condition and results of operations.

**23. The unsecured loan availed by our Company from Director; Promoter group other parties may be recalled at any given point of time.**

Our Company has been availing unsecured loans from Directors, Promoter group and other parties from time to time. The total outstanding payable to them as on March 31, 2023 amounts to Rs. Lakhs. Although there are no terms and condition prescribed for repayment of unsecured loan which can be recalled at any given point of time during ordinary course of business and thus may affect the business operations and financial performance of our Company.

For further details regarding loans availed by our Company, please refer "Restated Financial Statements" on page 177 of this Draft Red Herring Prospectus.

**24. Any deficiency in our products could make our Company liable for client claims, which in turn could affect our Company's results of operations.**

Our Company is bound by the terms and conditions as placed before its clients. There are no specific regulations governing the supply of the same, other than the general law of contracts. Any claims made by these clients for deficiency in our products, would be subject to these terms and conditions, which are in the nature of normal contractual obligations in India. Any violation of these obligations could impact our Company's results of operations.

**25. We do not have any long-term agreement or contract of supply of raw materials and consequently are exposed to price and supply fluctuations for our raw materials.**

Our Company is engaged in the business of manufacturing PET bottles and PET Preforms, and PET (Polyethylene terephthalate) in Granules form is used as the primary raw material during our manufacturing process. Therefore, we are highly dependent on PET, and it forms the most important and primary component of our manufacturing process.

We have not entered into long term contracts with our suppliers and prices for raw materials are normally based on the quotes we receive from various suppliers. We rely on pre-booking capacity with our suppliers, based on our demand projections. Since we have no formal arrangements with our suppliers, they are not contractually obligated to supply their products to us and may choose to sell their products to our competitors. Non-availability or inadequate quantity of raw material or use of substandard quality of the raw materials in the manufacturing of our products, could have a material adverse effect on our business. Further, any discontinuation or a failure of these suppliers to adhere to the delivery schedule or failure to deliver the required quality and quantity could hamper our manufacturing schedule.

Further, we are also exposed to fluctuations in the prices of raw material. Thus, we may be unable to control the factors affecting the price at which we procure our raw material. We also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in prices to our customers. Particularly, we face the risk of our products becoming unaffordable if pass on the increase in the cost of production to our customers through a corresponding increase in the price of our products in order to maintain our margins. Upward fluctuation of price of raw material may thereby affect our margins and profitability, resulting in a material adverse effect on our business, financial conditions and results of operations.

**26. *Certain relevant copies of educational qualification of one of our Promoters is not traceable.***

Relevant copies of education qualification of Two promoters, P Umrao and Parasmal Dharmendra Kumar is not traceable. We can't assure you that back-ups for the relevant copies of educational qualifications will be available in a timely manner or at all. We have relied on personal affidavit provided by them

**27. *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 of our raw material, 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.

**28. *Any failure to comply with financial and other restrictive covenants imposed on us under our financing agreements may affect our operational flexibility, business, results of operations and prospects.***

As on March 31, 2023, our total secured borrowings amounted to Rs. 631.99 Lakhs from Banks. Our leverage has several important consequences, including the following:

- A portion of our cash flow will be used towards repayment of debt, which will reduce the availability of cash to fund working capital requirements, capital expenditures and other general corporate purposes;
- Our borrowing cost and the existence of encumbrances on a significant portion of our immovable properties may constrain. In the event of enforcement of an event of default in connection with such secured borrowings (which is not waived or cured), our ability to continue to operate our business at such locations may be restricted;
- Fluctuations in interest rates may affect our cost of borrowing, as all or a substantial part of our borrowings is at floating rates of interest; and
- Our financing agreements require us to obtain the consent of, or to intimate, our lenders for certain actions including change in shareholding or directorship of our Company, remuneration to Directors, drawdown of further loans, issuance of guarantees, and for certain corporate actions, including alterations to our Memorandum and Articles of Association, Payment of Dividend and balance of unsecured loan of Director. Our failure to comply with financial or restrictive covenants or periodic reporting requirements or to obtain our lenders' consent to take certain actions in a timely manner or at all may result in declaration of an event of default by any current or future lenders, which may accelerate repayment or increase applicable interest rates or trigger cross-default or cross-acceleration under other financing agreements.

Although we have not experience any disruption in our loan facility in past, but termination of, or declaration or enforcement of default under, any current or future financing agreement (if not waived or cured) may affect our ability to raise additional funds or renew maturing borrowings to finance our existing operations and pursue our growth initiatives and, therefore, have an effect on our business, results of operations and prospects.

For further details of our loans, please refer chapter titled “*Restated Financial Statements*” beginning on Page 177 of this Draft Red Herring Prospectus.

**29. *There may be potential conflicts of interest if our Promoters or Directors are involved in any business activities that compete with or are in the same line of activity as our business operations.***

Our promoter group entities Swashtik Preforms Private Limited, Swashtik Poliemers, Swashtik Industries, Sri Baba Pet Bottles Private Limited, Srinivas Packaging and Swashtik Pet Packaging are involved in business of manufacturing PET Bottles and Preforms. Also, our Company has entered into various transaction such as purchase and sale in past with our Promoter Group Entities and will continue to do in future. For detailed information for our transaction with Promoter Group Entity please refer to **Note No. 31** of Restated Consolidated & Standalone Financial Statement under chapter titled “*Restated Financial Statements*” beginning on page 177 of this Draft Red Herring Prospectus.

Further, we have not entered into any non-compete agreement with the said entities. We cannot assure you that our Promoters who has common interest in said entities will not favour the interest of the said entities as a result; conflicts of interests may arise in allocating business opportunities amongst our Company and our Promoter Group Entity in circumstances where our respective interests diverge. There can be no assurance that our Promoters or our Promoter Group Entity or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations. For further details, please refer to “Common Pursuits” under chapter titled “*Our Promoter and Promoter Group*” on Page 167 this Draft Red Herring Prospectus.

**30. *Our Company requires significant amounts of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.***

Our business is working capital intensive. Summary of our working capital position as per our Restated Financial Information is given below: -

(₹. In Lakhs)

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
<b>A: Current Assets</b>			
Inventories	1397.96	786.25	732.30
Trade Receivables	1012.40	893.68	962.95
Cash and Cash Equivalents	1.61	2.37	0.93
Short-Term Loans and Advances	118.22	63.15	6.24
Other Current Assets	149.14	21.76	20.23
<b>B: Current Liabilities</b>			
Trade Payables	292.22	332.30	532.28
Other Current Liabilities	923.14	255.25	133.17
Short Term Provisions	57.87	2.04	1.89
<b>C: Working Capital (A-B)</b>	<b>1406.08</b>	<b>1177.62</b>	<b>1055.32</b>

We intend to continue growing by expanding our business operations. This may result in increase in the quantum of our current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled “*Objects of the Issue*” beginning on page 81 of this Draft Red Herring Prospectus.

**31. *Within the parameters as mentioned in the chapter titled “Objects of this Issue” beginning on page 81 of this Draft Red Herring Prospectus, our Company’s management will have flexibility in applying the proceeds of the Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.***

We intend to use Net Proceeds towards meeting the funding the Funding capital expenditure for developing new manufacturing facilities and installation of Plant and Machinery, Funding of capital expenditure requirements of our Company towards Set up of Solar Power Plant, Purchase of Plant and Machinery for upgradation of existing

manufacturing facility, Funding working capital requirements and General corporate purposes. We intend to deploy the Net Proceeds in financial year 2023-24 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Net Proceeds, please refer chapter titled “*Objects of the Issue*” beginning on page 81 of this Draft Red Herring Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled “*Objects of the Issue*” beginning on page 81 of this Draft Red Herring Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Board of Directors will monitor the proceeds of this Issue. However, Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. However, in accordance with Section 27 of the Companies Act, 2013, and relevant provisions of SEBI ICDR Regulations, 2018, a company shall not vary the objects of the Issue without our Company being authorised to do so by our shareholders by way of special resolution and other compliances in this regard. Our Promoter and controlling shareholders shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

- 32. *The Company is yet to place orders for of the capital expenditure for our proposed object, as specified in the Objects of the Issue. Any delay in placing orders, procurement of such infrastructure may delay our implementation schedule and may also lead to increase in price of these plant & machineries, further affecting our revenue and profitability.***

Although we have identified the type of infrastructure development required to be bought however, we are yet to place orders for the such infrastructure worth Rs 2,711.61 Lakhs as detailed in the “*Objects of the Issue*” beginning on page 81 of this Draft Red Herring Prospectus. These are based on our estimates and on third-party quotations, which are subject to a number of variables, including possible cost overruns, changes in management’s views of the desirability of current plans, change in supplier, which may have an adverse effect on our business and results of operations.

Further, we cannot assure that we would be able to procure this infrastructure, or procure the same within budgeted costs and timelines. Delays in acquisition of the same could result in the cost and time overrun, which would have a material adverse effect on our business, results of operations and financial condition. For further details, please refer to the chapter titled “*Objects of the Issue*” beginning on page 81 of this Draft Red Herring Prospectus.

- 33. *We have significant ongoing funding requirements and may not be able to raise additional capital in the future. As a result, we may not be able to respond to business opportunities, challenges or unforeseen circumstances.***

Our major fund based financial assistance has been sanctioned by the bank, i.e., the Yes Bank Limited, on the security of assets. The Company is dependent on these banks for its Working Capital requirement and capital expenditure and any default under such arrangement with such lender may create problem for operation of the Company, which may affect the financial stability of the Company. At the same time this may result into difficulty in arranging for funds for re-payment and may also affect the financial position of the Company. If we are unable in the future to generate sufficient cash flow from operations or borrow the necessary capital to fund our future capital expenditures, we will be forced to limit our growth. In addition, we may not be able to service our existing customers or to acquire new customers. The inability to raise additional capital on acceptable terms could have a effect on our business, results of operations and financial condition.

For further details of our loans, please refer chapter titled “*Restated Financial Statements*” beginning on Page 177 of this Draft Red Herring Prospectus.

- 34. *If there is a change in policies related to tax, duties or other such levies applicable to us, it may affect our results of operations.***

We benefit from certain general tax regulations and incentives that accord favourable treatment to certain of our operations as well as for our activities. These tax benefits include income tax deductions and other taxes. For details regarding income tax deductions, please refer to the chapter “*Statement of Possible Tax Benefits*” on page 96 of this Draft Red Herring Prospectus.

New or revised accounting policies or policies related to tax, duties or other such levies promulgated from time to time by the relevant authorities may significantly affect our results of operations. We cannot assure you that we would continue to be eligible for such lower tax rates or any other benefits. The reduction or termination of our tax incentives, or non-

compliance with the conditions under which such tax incentives are made available, will increase our tax liability and affect our business, prospects, results of operations and financial condition.

**35. *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 176 of this Draft Red Herring Prospectus.

**36. *We have experienced negative cash flows in the past. Any such negative cash flows in the future could affect our business, results of operations and prospects.***

Our Company had reported certain negative cash flows in the previous years as per the Restated Financial Statements and the same are summarized as under:

*(Rs. in Lakhs)*

Particulars	For the year ended March 31,		
	2023	2022	2021
Cash flow from Operating Activities	371.42	229.80	245.29
Cash flow from Investing Activities	(289.21)	(52.57)	(150.45)
Cash flow from Financing Activities	(82.97)	(175.80)	(95.27)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If our Company is not able to generate sufficient cash flows, it may affect our business and financial operations. For further please refer chapter titled “Restated Financial Statements” beginning on Page 177 of this Draft Red Herring Prospectus.

**37. *Our Promoter and Executive Directors hold Equity Shares in our Company and are therefore interested in the Company’s performance in addition to their remuneration and reimbursement of expenses.***

Our Promoter and Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. We cannot assure you that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoter may take or block actions with respect to our business which may conflict with the best interests of the Company or that of minority shareholders. For further information on the interest of our Promoter and Directors of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, see “Our Management” and “Our Promoter and Promoter Group” on pages 151 and 167 respectively of this Draft Red Herring Prospectus.

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

After completion of the Issue, Our Promoters and Promoter Group will collectively own 60.00% of the Equity Shares. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our AOA. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

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

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

**40. *Major fraud, lapses of internal control or system failures could adversely impact the company's business.***

Our Company is vulnerable to risk arising from the failure of employees to adhere to approved procedures, system controls, fraud, system failures, information system disruptions, communication systems failure and interception during transmission through external communication channels or networks. Failure to protect fraud or breach in security may adversely affect our Company's operations and financial performance. Our reputation could also be adversely affected by significant fraud committed by our employees, agents, customers or third parties.

**41. *The future operating results are difficult to predict and may fluctuate or adversely vary from the past performance.***

The company's operating results may fluctuate or adversely vary from past performances in the future due to a number of factors, many of which are beyond the company's control. The results of operations during any financial year or from period to period may differ from one another or from the expected results operation. Its business, results of operations and financial condition may be adversely affected by, inter alia, a decrease in the growth and demand for the products offered by the us or any strategic alliances which may subsequently become a liability or non-profitable. Due to various reasons including the above, the future performance may fluctuate or adversely vary from our past performances and may not be predictable. For further details of our operating results, section titled "Restated Financial Statements" beginning on Page 177 of this Draft Red Herring Prospectus.

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

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

**43. *Employee misconduct including misuse of confidential data and failure to maintain confidentiality of information could harm us and is difficult to detect and deter.***

We could be harmed by employee misconduct if our customers confidential information is misappropriated by us or our employees, our customers may consider us liable for that act and seek damages and compensation from us, in addition, to seeking termination of the contract. While there have been no instances during the last three financial years of information technology breach or instances of cyber-attack, assertions of misappropriation of confidential information or the intellectual property of our customers against us, if successful, could have a material adverse effect on our business, financial condition and results of operations. Even if such assertions against us are unsuccessful, they may cause us to incur reputational harm and substantial cost.

Although we closely monitor our employees, misconduct, including acts of bribery, corruption or fraud by employees or executives, such acts could include binding us to transactions that exceed authorized limits or present unacceptable risks, or they may hide unauthorized or unlawful activities from us, which may result insubstantial financial losses and damage to our reputation and loss of business from our customers. Employee or executive misconduct could also involve the improper use or disclosure of confidential information, which could result in regulatory sanctions and serious reputational or financial harm, including harm to our brand. While we have not experienced any such employee misconduct in the past, it is not always possible to deter employee or executive misconduct and the precautions taken and systems put in place to prevent and detect such activities may not be effective in all cases. Any instances of such misconduct could adversely affect our business and our reputation.

**44. *Any Penalty or demand raise by statutory authorities in future will affect our financial position of the Company.***

Our Company is mainly engaged in business of manufacturing of PET bottles which attracts tax liability such as Income tax & Goods and Service Tax and other applicable provision of the Acts. However, the Company has been depositing the return under above applicable acts but any demand or penalty raise by concerned authority in future for any previous year and current year will affect the financial position of the Company. For detail, please refer "Outstanding Litigations and



*Material Development*” beginning on page 195 of this Draft Red Herring Prospectus. Any such penalty arising in future may lead to financial loss to our Company.

**45. *We have not identified any alternate source of raising the working capital mentioned as our ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

Our Company has not identified any alternate source of funding for our working capital requirement and for general corporate purposes and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of working capital or may require our Company to borrow funds on unfavourable terms, both of which scenarios may affect the business operation and financial performance of the Company.

For further details of our Object for the Issue, please refer chapter titled “*Object for the Issue*” beginning on Page 81 of this Draft Red Herring Prospectus.

**46. *Our Company’s management will have flexibility in utilizing the Net Proceeds from the Issue. The deployment of the Net Proceeds from the Issue is not subject to any monitoring by any independent agency.***

Our Company intends to primarily use the Net Proceeds towards working capital requirement and for general corporate purposes as described in “*Objects of the Issue*” on page 81 of this Draft Red Herring Prospectus. In terms of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Issue size is not in excess of ₹100 crores. But the Audit Committee will review the monitor the use of Issue Proceeds. The management of our Company will have discretion to use the Net Proceeds from the Issue, and investors will be relying on the judgment of our Company’s management regarding the application of the Net Proceeds from the Issue. Our Company may have to revise its management estimates from time to time and consequently its requirements may change.

Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution of the Shareholders and our Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders of our Company who do not agree to such proposal to vary the objects, in such manner as may be prescribed in future by the SEBI.

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

**47. *Any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company.***

We propose to utilize the Net Proceeds for raising funds for working capital Requirement. For further details of the proposed objects of the Issue, please refer the chapter titled “*Objects of the Issue*” beginning on Page 81 of this Draft Red Herring Prospectus. At this juncture, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations.

Further, our Promoter or controlling shareholders would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the Issue, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoter or controlling shareholders to provide an exit opportunity to such dissenting shareholders of our Company may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity.

In light of these factors, we may not be able to vary the objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any

change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

**48. *Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute [●]% of the Issue Proceed. As on date we have not identified the use of such funds.***

Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute [●]% of the Issue Proceed. We have not identified the general corporate purposes for which these funds may be utilized. The deployment of such funds is entirely at the discretion of our management in accordance with policies established by our Board of Directors from time to time and subject to compliance with the necessary provisions of the Companies Act. For details please refer the chapter titled “*Objects of the Issue*” beginning on Page 81 of this Draft Red Herring Prospectus.

**49. *We have in the last 12 months issued Equity Shares at a price that may be at lower than the Issue Price.***

In the last 12 months we may have issued fresh Equity Shares to the promoter and other shareholders of our Company which are as follows: -

- 68,24,795 Equity Shares issued for consideration other than cash on March 28, 2023 for acquisition of 100% Equity Shares from Shareholders of Swashtik Preforms private Limited and for acquiring of 99% of Partners capital of Swashtik Industries, A Partnership Firm.

The Equity Shares allotted to investors pursuant to this Issue is being priced significantly higher due to various reasons including better performance by the Company, better economic conditions and passage of time.

For Further details of equity shares issued, please refer to the chapter titled “*Capital Structure*” beginning on page 67 of the Draft Red Herring Prospectus.

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

Our Promoter average cost of acquisition of Equity Shares in our Company is lower than the Issue Price decided by the Company in consultation with the Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoter in our Company, please refer to the chapters “*Capital Structure*” beginning on page 67 of this Draft Red Herring Prospectus.

**51. *We will continue to be controlled by our Promoter and Promoter Group after the completion of the Issue, which will allow them to influence the outcome of matters submitted for approval of our shareholders.***

As on the date of this Draft Red Herring Prospectus, our Promoter and Promoter Group hold 60.00% of the issued and outstanding paid-up share capital of our Company. Following the completion of the Issue, our Promoter and Promoter Group will continue to hold together [●] of our post-Issue Equity Share capital. As a result, they will have the ability to influence matters requiring shareholders’ approval, including the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders’ meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum of Association and Articles of Association, and any other business decisions. We cannot assure you that our Promoters and Promoter Group will not have conflicts of interest with other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

For further details regarding our shareholding, please refer to chapter titled “*Capital Structure*” beginning on Page 67 of this Draft Red Herring Prospectus.

**52. *Our Equity Shares have never been publicly traded and may experience price and volume fluctuations following the completion of the Issue, an active trading market for the Equity Shares may not develop, the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Issue Price or at all.***

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for our Equity Shares will develop or, if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is determined considering various financials factors of the Company 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. There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after this Issue could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited

to those described in this Draft Red Herring Prospectus. A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment

**53. *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 may differ from those that would apply to a company in another jurisdiction. Investors may have more difficulty in asserting their rights as shareholders in an Indian company than as shareholder of a corporation in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other jurisdictions. Under the Companies Act, prior to issuance of any new equity shares, a public limited company incorporated under Indian law must offer its equity shareholders pre-emptive rights to subscribe to a proportionate number of equity shares to maintain existing ownership, unless such pre-emptive rights are waived by a special resolution by a three-fourths majority of the equity shareholders voting on such resolution. If you are a foreign investor and the law of the foreign jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such foreign jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file an offering document or a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interest in our Company would decline.

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

The Issue Price of our Equity Shares has been determined on the basis of the Fixed Price Issue. This price is based on numerous factors. For further information, see "*Basis for Issue Price*" beginning on page 91 of this Draft Red Herring Prospectus and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price are:

- Quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

**55. *A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.***

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of us. Under the takeover regulations in India, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the Indian takeover regulations.

**56. *The requirements of being a listed company may strain our resources and distract management.***

We have no experience as a listed company and have not been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public that is associated with being a listed company. As a listed company, we will incur additional 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 Exchanges and compliances of SEBI Listing Regulation, 2015 which would require us to file audited annual and unaudited semi-annual and limited review reports with respect to our business and financial condition. If we delay making such filings, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as timely as other listed companies.

As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, 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.

## **EXTERNAL RISK FACTORS**

### ***57. Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.***

Our Company is incorporated in India, and our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may 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 for our expansions;
- prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters
- prevailing regional or global economic conditions, including in India's principal export markets; and
- Other significant regulatory or economic developments in or affecting India or our industry.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, results of operations and financial condition and the price of the Equity Shares.

### ***58. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war in India or globally may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

### ***59. Our business and activities may be further regulated by the Competition Act and any adverse application or interpretation of the Competition Act could materially and adversely affect our business, financial condition and results of operations.***

The Competition Act seeks to prevent business practices that have or are likely to have an appreciable adverse effect on competition in India and has established the Competition Commission of India (the "CCI"). Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which has or is likely to have an appreciable adverse effect on competition is void and attracts substantial penalties. Any agreement among competitors which, directly or indirectly, determines purchase or sale prices, results in bid rigging or collusive bidding, limits or controls the production, supply or distribution of goods and services, or shares the market or source of production or providing of

services by way of allocation of geographical area or type of goods or services or number of customers in the relevant market or in any other similar way, is presumed to have an appreciable adverse effect on competition and shall be void.

Further, the Competition Act prohibits the abuse of a dominant position by any enterprise. If it is proven that a breach of the Competition Act committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the breach themselves and may be punished as an individual. If we, or any of our employees are penalized under the Competition Act, our business may be adversely affected. Further, the Competition Act also regulates combinations and requires approval of the CCI for effecting any acquisition of shares, voting rights, assets or control or mergers or amalgamations above the prescribed asset and turnover based thresholds.

On March 4, 2011, the Government of India notified and brought into force new provisions under the Competition Act in relation to combined entities (the “Combination Regulation Provisions”), which came into effect from June 1, 2011. The Combination Regulation Provisions require that any acquisition of shares, voting rights, assets or control or mergers or amalgamations, which cross the prescribed asset and turnover based thresholds, must be notified to and preapproved by the CCI. In addition, on May 11, 2011, the CCI issued the final Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 (as amended). These regulations, as amended, set out the mechanism for the implementation of the Combination Regulation Provisions under the Competition Act.

**60. *The Indian tax regime is currently undergoing substantial changes which could adversely affect our business.***

The goods and service tax (“GST”) that has been implemented with effect from July 1, 2017 combines taxes and levies by the GoI and state governments into a unified rate structure, and replaces indirect taxes on goods and services such as central excise duty, service tax, customs duty, central sales tax, state VAT, cess and surcharge and excise that were being collected by the GoI and state governments.

As regards the General Anti-Avoidance Rules (“GAAR”), The general anti avoidance rules (“GAAR”) provisions have been made effective from assessment year 2018-19 onwards, i.e.; financial Year 2017-18. The GAAR provisions intend to declare an arrangement as an “impermissible avoidance arrangement”, if the main purpose or one of the main purposes of such arrangement is to obtain a tax benefit, and satisfies at least one of the following tests (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm’s length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, that is not ordinarily engaged for bona fide purposes. If GAAR provisions are invoked, the tax authorities will have wider powers, including denial of tax benefit or a benefit under a tax treaty. In the absence of any precedents on the subject, the application of these provisions is uncertain. As the taxation regime in India is undergoing a significant overhaul, its consequent effects on economy cannot be determined at present and there can be no assurance that such effects would not adversely affect our business, future financial performance and the trading price of the Equity Shares.

**61. *You may be restricted in your ability to exercise pre-emptive rights under Indian law and may be adversely affected by future dilution of your ownership position.***

Under the Companies Act, a company incorporated in India must offer its shareholders pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the shares who have voted on the resolution, or unless the company has obtained approval from the Government of India to issue without such special resolution, subject to votes being cast in favour of the proposal exceeding the votes cast against such proposal. However, if the law of the jurisdiction you are in does not permit you to exercise your pre-emptive rights without our Company filing an offering document or a registration statement with the applicable authority in the jurisdiction you are in, you will be unable to exercise your pre-emptive rights unless our Company makes such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interest in our Company would be reduced.

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

We currently operate only in India and are dependent on domestic, regional and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent on the Textile industry of the Indian economy. There have been periods of slowdown in the economic growth of India. For instance, the present situation of lock-down is prevailing in India due to pandemic Covid-19 spread in India and all other parts of world. If such condition prevail for longer time the Demand for our products & services may be adversely affected by an economic downturn in domestic,

regional and global economies. India's economic growth is also affected by various other factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, cash flows and financial condition. Also, a change in the Government or a change in the economic and deregulation policies could affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

**63. *Companies in India are required to prepare financial statements under the new Indian Accounting Standards. In addition, all income-tax assessee in India will be required to follow the Income Computation and Disclosure Standards.***

The Ministry of Corporate Affairs ("MCA"), Government of India, has through notification dated February 16, 2015 issued the Indian Accounting Standards Rules, 2015 ("Ind AS") which have come into effect from April 1, 2015 and are applicable to companies which fulfill certain conditions. Further, there can be no assurance that the adoption of Ind AS will not affect our reported results of operations or financial condition. Any of these factors relating to the use of Ind AS may adversely affect our financial condition and results of operations.

Further, the Ministry of Finance, Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards ("ICDS"), thereby creating a new framework for computation of taxable income. The ICDS shall apply from the assessment year 2017-2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

**64. *Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.***

Our Company is incorporated in India, and the majority of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- Any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- Prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- other significant regulatory or economic developments in or affecting India or its ER&D sector; international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;

**65. *Financial instability, economic developments and volatility in securities markets in other countries may also cause the price of the Equity Shares to decline.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging Asian market countries. Financial turmoil in Europe and elsewhere in the world in recent years has affected the Indian economy. In recent times, the Indian financial markets had been negatively affected by the volatility in global financial market, including on account of certain European nations' debt troubles and move to break away by the United Kingdom from the European Union. Although, economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. Currencies of a few Asian countries have in the past suffered depreciation against the U.S. Dollar owing to, amongst other, the announcements by the U.S. government that it may consider reducing its quantitative easing

measures. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur and could harm our business, future financial performance and the prices of the Equity Shares.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years. Liquidity and credit concerns and volatility in the global credit and financial markets have increased significantly with the bankruptcy or acquisition of, and government assistance extended to, several major U.S. and European financial institutions. These and other related events, such as the European sovereign debt crisis, have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in global credit and financial markets. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets.

However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current difficult conditions in the global credit markets continue or if there is any significant financial disruption, such conditions could have an adverse effect on our business, future financial performance and the trading price of the Equity Shares.

**66. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, financial condition and results of operations.***

The regulatory and policy environment in which we operate is evolving and subject to change. Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. In such instances, and including the instances mentioned below, our business, results of operations and prospects may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. Any political instability in India, such as corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

Additionally, the Government of India has introduced (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, the implementation of such laws could increase our employee and labour costs, thereby adversely impacting our results of operations, cash flows, business and financial performance.

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. For instance, companies can voluntarily opt in favour of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which reduces the rate of income tax payable to 22% subject to compliance with conditions prescribed, from the erstwhile 25% or 30% depending upon the total turnover or gross receipt in the relevant period. Any such future amendments may affect our other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

Further, the GoI has announced the union budget for Fiscal 2024, pursuant to which the Finance Bill, 2023 (“Finance Bill”), has introduced various amendments. The Finance Bill has received assent from the President of India on March 31, 2023, and has been enacted as the Finance Act, 2023. We cannot predict whether any amendments made pursuant to the Finance Act, 2023 would have an adverse effect on our business, financial condition and results of operations. Furthermore, changes in capital gains tax or tax on capital market transactions or the sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

There can be no assurance that the GoI will not implement new regulations and policies requiring us to obtain approvals and licenses from the GoI or other regulatory bodies, or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment or change to governing laws, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent in the jurisdictions in which we operate may be time consuming as well as costly for

us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. It may also have a material adverse effect on our business, financial condition, cash flows and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which could materially harm our results of operations or cash flows. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

We are unable to determine the impact of any changes in or interpretations of existing, or the promulgation of, new, laws, rules and regulations applicable to us and our business. If that was to occur it could result in us, our business, operations or group structure being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. 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 business or restrict our ability to grow our business in the future.

***67. A significant change in the Government of India's economic liberalization and deregulation policies could adversely affect our business and the price of our Equity Shares.***

The Government of India has traditionally exercised, and continues to exercise, a dominant influence over many aspects of the economy. Unfavorable government policies including those relating to the internet and e-commerce, consumer protection and data-privacy, could adversely affect business and economic conditions in India, and could also affect our ability to implement our strategy and our future financial performance. Since 1991, successive governments, including coalition governments, have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector and encouraging the development of the Indian financial sector. However, the members of the Government of India and the composition of the coalition in power are subject to change. As a result, it is difficult to predict the economic policies that will be pursued by the Government of India. For example, there may be an increasing number of laws and regulations pertaining to the internet and ecommerce, which may relate to liability for information retrieved from or transmitted over the internet or mobile networks, user privacy, content restrictions and the quality of services and products sold or provided through the internet. The rate of economic liberalization could change and specific laws and policies affecting the financial services industry, foreign investment, currency exchange and other matters affecting investment in our securities could change as well.

Any significant change in India's economic liberalization and deregulation policies could adversely affect business and economic conditions in India generally and our business in particular.



## SECTION IV – INTRODUCTION

### THE ISSUE

<b>PRESENT ISSUE OF EQUITY SHARES BY OUR COMPANY IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>	
<b>Equity Shares Issued</b> <sup>*(1)(2)</sup>	Up to 47,40,000 Equity Shares of face value of ₹10/- each fully paid for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] Lakhs
<i>Of which:</i>	
<b>Issue Reserved for the Market Maker</b>	[●] Equity Shares of face value of ₹ 10/- each fully-paid up for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] Lakhs
<b>Net Issue to the Public</b>	[●] Equity Shares of having face value of ₹10/- each fully paid-up for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] Lakhs
<i>Of which:</i>	
<b>A. QIB Portion</b> <sup>(3)(4)</sup>	Not more than [●] Equity Shares aggregating ₹ [●] Lakhs
<i>Of which:</i>	
i) Anchor Investor Portion	[●] Equity Shares aggregating to ₹ [●] Lakhs
ii) Net QIB Portion (Assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares aggregating to ₹ [●] Lakhs
<i>Of which:</i>	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs
<b>B. Non-Institutional Portion</b>	Not less than [●] Equity Shares aggregating up to ₹ [●] Lakhs
<b>C. Retail Portion</b>	Not less than [●] Equity Shares aggregating up to ₹ [●] Lakhs
<b>Pre and Post – Issue Equity Shares</b>	
<b>Equity shares outstanding prior to the Issue</b>	1,28,24,795 Equity Shares of face value of ₹10/- each fully paid-up
<b>Equity shares outstanding after the Issue</b>	Up to 1,75,64,795 Equity Shares of face value of ₹10/- each fully paid-up
<b>Use of Net Proceeds</b>	Please refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 81 of this Draft Red Herring Prospectus

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

**Note:**

- (1) Fresh Issue of upto 47,40,000 Equity Shares in terms of Draft Red Herring Prospectus has been authorized pursuant to a resolution passed by our Board of Directors dated September 15, 2023 and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting of the members held on September 15, 2023.
- (2) This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please see the section titled “*Issue Information*” beginning on page 215 of this Draft Red Herring Prospectus.
- (3) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15 % of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders.
- (4) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except

in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.

- (5) Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received within the offer price band. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled "*Issue Procedure*" beginning on page 226 of this Draft Red Herring Prospectus.

**SUMMARY OF FINANCIAL INFORMATION**

**ANNEXURE – I: RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES**

*(₹ in Lakhs)*

<b>Particulars</b>	<b>Notes to No.</b>	<b>31.03.2023</b>
<b>I. Equity and Liabilities</b>		
<b>(1) Shareholders' Funds</b>		
a) Share Capital	2	1282.48
b) Reserves & Surplus	3	754.61
Minority Interest		3.04
<b>(2) Non-Current Liabilities</b>		
a) Long Term Borrowings	4	3013.31
b) Deferred Tax Liabilities (Net)	13	0.00
c) Long Term Provisions	5	23.76
<b>(3) Current Liabilities</b>		
a) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises; and	6	250.29
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.	6	1587.07
b) Short Term Borrowings	7	2866.23
c) Other Current Liabilities	8	1233.65
d) Short Term Provisions	9	61.82
<b>TOTAL</b>		<b>11076.25</b>
<b>II. Assets</b>		
<b>(1) Non-Current assets</b>		
a) Property, Plant & Equipments & Intangible assets		
(i) Property, Plant & Equipments	10	2611.00
(ii) Intangible assets	10	0.00
(iii) Goodwill		125.80
b) Non-current Investments	11	92.50
c) Long term loans & advances	12	239.25
d) Deferred Tax Assets	13	16.53
d) Other Non-current assets	14	110.53
<b>(2) Current assets</b>		
a) Inventories	15	3788.23
a) Trade Receivables	16	3730.46
b) Cash and Cash Equivalents	17	14.18
c) Short Term Loans	18	172.72
d) Other Current Assets	19	175.06
<b>TOTAL</b>		<b>11076.25</b>

**ANNEXURE – II: RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS**

*(₹ in Lakhs)*

Particulars	Note No	For the period ended 31.03.2023
<b>Revenue From Operations</b>	20	4561.81
<b>Other Income</b>	21	27.30
<b>Total Income</b>		<b>4589.10</b>
<b>Expenses</b>		
Cost of Materials consumed	22	1626.57
Purchase of Stock-in-trade	23	2016.54
Changes in Inventories	24	(475.10)
Employee Benefit Expenses	25	361.59
Finance costs	26	176.95
Depreciation and amortization expenses	27	96.08
Other Expenses	28	439.67
<b>Total Expenses</b>		<b>4242.30</b>
<b>Profit / (Loss) Before Tax</b>		346.80
<b>Tax Expense</b>	29	44.61
<b>Profit/(Loss) For the Period</b>		<b>302.19</b>
<b>Allocated to Minority Interest</b>		<b>0.00</b>
<b>Allocated to owner of parent</b>		<b>302.19</b>
<b>Earnings Per Share:</b>		
a. Basic & Diluted in `		4.99

**ANNEXURE – III: RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS**

*(₹ in Lakhs)*

<b>Particulars</b>		<b>As at</b>
		<b>31.03.2023</b>
<b>A</b>	<b>Cash Flow From Operating Activities</b>	
	Net Profit before tax and extraordinary items(as per Statement of Profit and Loss)	345.90
	Adjustments for non Cash/ Non trade items:	
	Depreciation & Amortization Expenses	96.08
	Prior period Items	
	Finance Cost	176.95
	Interest received	(3.47)
	<b>Operating profits before Working Capital Changes</b>	<b>615.46</b>
	Adjusted For:	
	(Increase) / Decrease in trade receivables	(118.72)
	Increase / (Decrease) in trade payables	(40.08)
	(Increase) / Decrease in inventories	(611.71)
	Increase / (Decrease) in other current liabilities	667.89
	(Increase) / Decrease in Loans & Advances	(6.49)
	(Increase) / Decrease in other current assets	(164.06)
	Increase / (Decrease) in Provisions	3.15
	Increase / (Decrease) in Provisions - Short Term	55.83
	Cash generated from Operations	401.28
	Less: Income Tax paid	33.33
	<b>Net Cash flow from Operating Activities(A)</b>	<b>367.95</b>
<b>B</b>	<b>Cash Flow From Investing Activities</b>	
	Purchase of tangible assets	(315.11)
	Proceeds from sales of tangible assets	0.00
	Interest Received	3.47
	Purchase of intangible assets	0.00
	Investment in Fixed Deposit	25.90
	<b>Net Cash used in Investing Activities(B)</b>	<b>(285.74)</b>
<b>C</b>	<b>Cash Flow From Financing Activities</b>	
	Finance Cost	(176.95)
	Proceeds from issue of share capital	0.00
	Increase in / (Repayment) of Short term Borrowings	49.97
	Increase in / (Repayment) of Long term borrowings	44.01
	<b>Net Cash used in Financing Activities(C)</b>	<b>(82.97)</b>
<b>D</b>	<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents(A+B+C)</b>	<b>(0.76)</b>
<b>E</b>	Cash & Cash Equivalents at Beginning of period	14.94
<b>F</b>	<b>Cash &amp; Cash Equivalents at End of period</b>	<b>14.18</b>

**ANNEXURE – I: RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES**

*(₹ in Lakhs)*

Particulars	Note No.	For The Year Ended 31st March		
		2023	2022	2021
<b>I. Equity and Liabilities</b>				
<b>(1) Shareholders' Funds</b>				
'a) Share Capital	2	1282.48	600.00	600.00
b) Reserves & Surplus	3	739.07	31.53	18.52
<b>(2) Non-Current Liabilities</b>				
a) Long Term Borrowings	4	683.90	675.43	688.25
b) Deferred Tax Liabilities (Net)	13	0.00	0.00	0.00
c) Long Term Provisions	5	23.76	20.61	19.27
<b>(3) Current Liabilities</b>				
a) Trade Payables				
(i) total outstanding dues of micro enterprises and small enterprises; and	6	189.48	290.57	526.52
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.”.]	6	102.74	41.73	5.76
b) Short Term Borrowings	7	905.69	820.17	827.33
c) Other Current Liabilities	8	923.14	255.25	133.17
d) Short Term Provisions	9	57.87	2.04	1.89
<b>TOTAL</b>		<b>4908.15</b>	<b>2737.34</b>	<b>2820.71</b>

**ANNEXURE – II: RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS**

*(₹ in Lakhs)*

Particulars	Note No	For the period ended		
		2023	2022	2021
<b>Revenue From Operations</b>	20	4561.81	4947.29	3389.66
<b>Other Income</b>	21	27.30	39.22	144.30
<b>Total Income</b>		<b>4589.10</b>	<b>4986.51</b>	<b>3533.97</b>
<b>Expenses</b>				
Cost of Materials consumed	22	1626.57	3935.48	2589.67
Purchase of Stock-in-trade	23	2016.54	0.00	0.00
Changes in Inventories	24	(475.10)	(9.37)	(149.65)
Employee Benefit Expenses	25	361.59	325.49	300.59
Finance costs	26	176.95	155.83	161.56
Depreciation and amortization expenses	27	96.08	110.30	112.88
Other Expenses	28	439.67	445.64	499.03
<b>Total Expenses</b>		<b>4242.30</b>	<b>4963.36</b>	<b>3514.08</b>
<b>Profit / (Loss) Before Tax</b>		346.81	23.14	19.88
<b>Tax Expense</b>	29	44.61	10.13	12.98
<b>Profit/(Loss) For The Period</b>		<b>302.19</b>	<b>13.01</b>	<b>6.91</b>
<b>Earnings Per Share:</b>				
a. Basic & Diluted in		4.99	0.22	0.12

**ANNEXURE – III: RESTATED STANDALONE STATEMENT OF CASH FLOWS**

*(₹ in Lakhs)*

Particulars	For The Year Ended 31st March		
	2023	2022	2021
<b>A Cash Flow From Operating Activities</b>			
Net Profit before tax and extraordinary items(as per Statement of Profit and Loss)	345.90	23.14	19.88
Adjustments for non Cash/ Non trade items:			
Depreciation & Amortization Expenses	96.08	110.30	112.88
Prior period Items			(17.69)
Finance Cost	176.95	155.83	161.56
Interest received	0.00	0.00	0.00
<b>Operating profits before Working Capital Changes</b>	<b>618.93</b>	<b>289.27</b>	<b>276.63</b>
Adjusted For:			
(Increase) / Decrease in trade receivables	(118.72)	(116.85)	(107.42)
Increase / (Decrease) in trade payables	(40.08)	(77.90)	205.97
(Increase) / Decrease in inventories	(611.71)	135.33	(149.11)
Increase / (Decrease) in other current liabilities	667.89	0.00	0.00
(Increase) / Decrease in Loans & Advances	(6.49)	0.00	0.00
(Increase) / Decrease in other current assets	(164.06)	(1.53)	(1.94)
Increase / (Decrease) in Provisions	3.15	1.34	19.27
Increase / (Decrease) in Provisions - Short Term	55.83	0.15	1.89
Cash generated from Operations	404.75	229.80	245.29
Less: Income Tax paid	33.33	0.00	0.00
<b>Net Cash flow from Operating Activities(A)</b>	<b>371.42</b>	<b>229.80</b>	<b>245.29</b>
<b>B Cash Flow From Investing Activities</b>			
Purchase of tangible assets	(315.11)	(52.57)	(150.45)
Proceeds from sales of tangible assets	0.00	0.00	0.00
Interest Received	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Purchase of intangible assets	0.00	0.00	0.00
Investment in Fixed Deposit	25.90	0.00	0.00
<b>Net Cash used in Investing Activities(B)</b>	<b>(289.21)</b>	<b>(52.57)</b>	<b>(150.45)</b>
<b>C Cash Flow From Financing Activities</b>			
Finance Cost	(176.95)	(155.83)	(161.56)
Proceeds from issue of share capital	0.00	0.00	0.00
Increase in / (Repayment) of Short term Borrowings	49.97	0.00	0.00
Increase in / (Repayment) of Long term borrowings	44.01	(19.97)	66.29
<b>Net Cash used in Financing Activities(C)</b>	<b>(82.97)</b>	<b>(175.80)</b>	<b>(95.27)</b>
<b>D Net Increase / (Decrease) in Cash &amp; Cash Equivalents(A+B+C)</b>	<b>(0.76)</b>	<b>1.43</b>	<b>(0.43)</b>
E Cash & Cash Equivalents at Beginning of period	2.37	0.93	1.36
<b>F Cash &amp; Cash Equivalents at End of period</b>	<b>1.61</b>	<b>2.37</b>	<b>0.93</b>



## GENERAL INFORMATION

### REGISTERED OFFICE OF OUR COMPANY

#### Swashtik Plascon Limited

No. A75 - A76, PIPDIC Electronic Park,  
Thirubuvanai, Mannadipet Commune,  
Puducherry - 605107, Pondicherry, India.

**Tel. No.:** (0413)-264095

**E-mail:** [investor@swashtikplascon.com](mailto:investor@swashtikplascon.com)

**Website:** [www.swashtikplascon.com](http://www.swashtikplascon.com)

**Corporate Identification Number:** U25209PY2011PLC002578

**Reg. No.:** 002578

For further details and details of changes in the registered office of our company, please refer to the chapter titled "History and Certain Corporate Matters" beginning on page 146 of this Draft Red Herring Prospectus.

### CORPORATE OFFICE OF OUR COMPANY

N.A.

### REGISTRAR OF COMPANIES

#### Registrar of Companies, Pondicherry

No.7, Second Floor,  
Karuvadikuppam Main Road,  
Senthamarai Nagar, Muthialpet – 605003,  
Puducherry, India

**Tel No.:** (0413)-2234129

**Email:** [roc.pondicherry@mca.gov.in](mailto:roc.pondicherry@mca.gov.in)

**Website:** [www.mca.gov.in](http://www.mca.gov.in)

### DESIGNATED STOCK EXCHANGE

#### BSE SME

#### BSE Limited

25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001,  
Maharashtra, India

**Tel No:** 022 – 2272 1233/34

**Website:** [www.bseindia.com](http://www.bseindia.com)

### BOARD OF DIRECTORS

As on the date of this Draft Red Herring Prospectus, the Board of Directors of our Company comprises of the following:

Name	Designation	DIN	Residential Address
Mr. Mahendrakumar Gautam	Managing Director	10314526	N No-45 No16 Dr Alagappa Road, Purasawalkam, Flower Road, Chennai-600084, Tamil Nadu, India.
Mr. Parasmal Mahendra Kumar	Chairman & Non-Executive Director	00163647	N No-45 No16 Dr Alagappa Road, Purasawalkam, Flower Road, Chennai-600084, Tamil Nadu, India.
Mr. Parasmal Ravindra Kumar	Non-Executive Director	00666885	N No-45 No16 Dr Alagappa Road, Purasawalkam, Flower Road, Chennai-600084, Tamil Nadu, India.
Mrs. Nirmala Mahendrakumar	Non-Executive Director	03174030	N No-45 No16 Dr Alagappa Road, Purasawalkam, Flower Road, Chennai-600084, Tamil Nadu, India.
Mrs. Sujathaa Mehta	Non-Executive Director	06822171	Old No. 157-158/11 New No. 239-241/11, Sydenhams Road, Periamet Park Town, Chennai – 600003, Tamil Nadu
Mrs. Sheetal Shah	Non-Executive Independent Director	10302403	47, First Floor, Krishnappa Tank Street, Near Thirupalli Street, Sowcarpet, Chennai – 600001, Tamil Nadu.
Mr. Mohanraj	Non-Executive	10302401	4, Gandhi Street, Ariyur, Pondicherry – 605102, India

Name	Designation	DIN	Residential Address
Perumal	Independent Director		
Mrs. Kavitha Gulacha	Non-Executive Independent Director	09274403	Door No. 141, Plot No. 12, 13 and 15, Bhomiya Kunj, Millenium, Manthira, 5 <sup>th</sup> cross street, Mangla Nagar, Tiruvallur – 600116, Tamil Nadu

For detailed profile of our Board of Directors, please see chapter titled “*Our Management*” beginning on page 151 of this Draft Red Herring Prospectus.

#### COMPANY SECRETARY AND COMPLIANCE OFFICER

Madras Uthandavelu Ravi Kumar is our Company Secretary and Compliance Officer. His contact details are as follows:

**Mr. Madras Uthandavelu Ravi Kumar**

No. A75 - A76, PIPDIC Electronic Park,  
Thirubuvanai, Mannadipet Commune,  
Puducherry - 605107, Pondicherry, India

**Tel. No.:** (0413)-264095

**E-mail:** [cs@swashthikplascon.com](mailto:cs@swashthikplascon.com)

**Website:** [www.swashthikplascon.com](http://www.swashthikplascon.com)

#### BOOK RUNNING LEAD MANAGER

**Shreni Shares Limited**

*(Formerly Known as Shreni Shares Private Limited)*

A/007, Western Edge - II,  
Kanakia Space, Behind Metro Mall,  
off Western Express Highway, Magathane,  
Boriwali East, Mumbai – 400066, Maharashtra, India.

**Tel. No.:** 022 - 20897022

**Email:** [shrenishares@gmail.com](mailto:shrenishares@gmail.com)

**Website:** [www.shreni.in](http://www.shreni.in)

**Investor Grievance E-mail:** [info@shreni.in](mailto:info@shreni.in)

**Contact Person:** Mr. Parth Shah

**SEBI Registration No.:** INM000012759

#### REGISTRAR TO THE ISSUE

**Bigshare Services Private Limited**

Office No S6-2, 6th Floor, Pinnacle Business Park,  
Next to Ahura Centre, Mahakali Caves Road,  
Andheri (East) Mumbai – 400 093,  
Maharashtra, India

**Tel No:** 022 – 6263 8200

**Email:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)

**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)

**Investor Grievance E-mail:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

**Contact Person:** Mr. Babu Rapheal C

**SEBI Registration No.:** INR000001385

#### LEGAL ADVISOR TO THE ISSUE

**J Mukherjee & Associates**

D-1, MMS Chambers, 1<sup>st</sup> Floor, 4A,  
Council House Street, Kolkata – 700 001, India.

**Tel No:** +91 9830640366

**Contact Person:** Mr. Jayabrata Mukherjee

**Email:** [jmukherjeeandassociates@gmail.com](mailto:jmukherjeeandassociates@gmail.com)

## ADVISOR TO THE ISSUE

[•]

## BANKERS TO THE COMPANY

### YES Bank Limited

Yes Bank House, off Western Express Highway,  
Santacruz east, Mumbai – 400055, Maharashtra, India

Tel No.: +91- 9710417274

Email: [swamynathan.a1@yesbank.in](mailto:swamynathan.a1@yesbank.in) ; [yestouch@yesbank.in](mailto:yestouch@yesbank.in)

Website: [www.yesbank.in](http://www.yesbank.in)

Contact Person: Mr. Swamynathan Arumugam

## STATUTORY AND PEER REVIEWED AUDITORS OF OUR COMPANY

### M/s. PSDY & Associates

Chartered Accountants

No. 10, ANN AI Velankanni Street,

Kamaraj Nagar, Puducherry – 605011, India.

Tel No: 0413-4308030

Email: [cakusha126@gmail.com](mailto:cakusha126@gmail.com)

Contact Person: Kushal Raj N

Firm Registration No.: 010625S

Peer Review Registration No: 013546

## BANKERS TO THE ISSUE / ESCROW COLLECTION BANK, REFUND BANK AND PUBLIC OFFER BANK

[•]

## SYNDICATE MEMBER

[•]

*\*The Banker to the Issue and Syndicate Member shall be appointed prior to filing of the Red Herring Prospectus with the ROC.*

## STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Shreni Shares Limited (*Formerly Known as Shreni Shares Private Limited*) is the sole Book Running Lead Manager to this Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

## SELF-CERTIFIED SYNDICATE BANKS (“SCSBs”)

The list of recognised intermediaries notified by SEBI is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB branches with which an ASBA Bidder (other than a UPI Bidder using the UPI Mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, or at such other websites as may be prescribed by SEBI from time to time.

## SCSBS AND MOBILE APPLICATIONS 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, UPI Bidders 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.

## **SYNDICATE SCSB BRANCHES**

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) and updated from time to time or any such other website as may be prescribed by SEBI from time to time.

## **REGISTERED BROKERS**

Bidders (other than RIBs) can submit ASBA Forms in the Offer using the stockbroker network of the stock exchange, i.e., through the Registered Brokers at the Broker Centers. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchange at [www.bseindia.com](http://www.bseindia.com), as updated from time to time.

## **REGISTRAR AND SHARE TRANSFER AGENTS (“RTA”)**

The list of the RTAs eligible to accept application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchange at [www.bseindia.com](http://www.bseindia.com), as updated from time to time and on SEBI website at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10>

## **COLLECTING DEPOSITORY PARTICIPANTS (“CDP”)**

The list of the CDPs eligible to accept application forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchange at [www.bseindia.com](http://www.bseindia.com), as updated from time to time and SEBI website at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18>; <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=4>

## **BROKERS TO THE ISSUE**

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

## **CREDIT RATING**

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

## **IPO GRADING**

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

## **DEBENTURE TRUSTEES**

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

## **MONITORING AGENCY**

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10,000.00 Lakhs.

Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Red Herring Prospectus.

## **FILING OF THE DRAFT RED HERRING PROSPECTUS**

The Draft Red Herring Prospectus shall be filed on BSE SME situated at BSE Limited, 5th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, Maharashtra, India.

Pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022, Draft Red Herring Prospectus shall not be submitted to SEBI, however, soft copy of Red Herring Prospectus shall be submitted to SEBI pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. SEBI will not issue any observation on the offer document in terms of Regulation 246 (2) of the SEBI ICDR Regulations.

A copy of the Red Herring Prospectus along with the material contracts and documents referred elsewhere in the Red Herring Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Companies Pondicherry, Situated at No.7, Second Floor, Karuvadikuppam Main Road, Senthamarai Nagar, Muthialpet – 605003, Puducherry, India, at least (3) three working days prior from the date of opening of the Issue.

## **APPRAISING ENTITY**

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

## **TYPE OF ISSUE**

The present issue is considered to be 100% Book-Building Issue.

## **GREEN SHOE OPTION**

No green shoe option is contemplated under the Issue.

## **EXPERT OPINION**

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

Our Company has received written consent from the Statutory and Peer Reviewed Auditor namely, *M/s PSDY & Associates*, Chartered Accountants, to include their name in respect of the reports on the Restated Consolidated & Standalone Financial Statements dated September 25, 2023 and the Statement of Possible Tax Benefits dated September 27, 2023 issued by them and included in this Draft Red Herring Prospectus, as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

## **CHANGES IN AUDITORS**

Except as disclosed below, there has been no change in the statutory auditors during the three years immediately preceding the date of this Draft Red Herring Prospectus:

<b>Date</b>	<b>From</b>	<b>To</b>	<b>Reason for Change</b>
<b>Date of Resignation:</b> February 23, 2023	<b>M/s. G.C. Daga &amp; Co.</b>	<b>M/s. PSDY &amp; Associates</b>	Due to Personal commitments
<b>Date of Appointment:</b> February 28, 2023	No: 565-567, Sri Suswani Towers, 2nd Floor, Nehruji Road, Villupuram-605602, Tamil Nadu, India	No.10, Annai Velankanni Street, Kamaraj Nagar, Pondicherry-605011, India	

## **BOOK BUILDING PROCESS**

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book

Running Lead Manager in accordance with the Book Building Process, and advertised in in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and 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 Shreni Shares Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with BSE Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue;
- The Escrow Collection Banks/ Bankers 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 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “Anchor Investor Portion”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15 % of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

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

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

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the chapter titled “*Issue Procedure*” beginning on page 226 of the Draft Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 226 of this Draft Red Herring Prospectus.

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

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Company in consultation with the BRLM, may finalise the Offer 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 226 of this Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Offer will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

**Bid/Offer Program:**

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

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

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/ Offer 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 EmERGE taking into account the total number of applications received up to the closure of timings

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/ Issue Closing Date, as is typically experienced in public Offer, 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/ Offer 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 Offer 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 Issue Opening Date without assigning any reason thereof.

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

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



## UNDERWRITING AGREEMENT

The Company and the Book Running Lead Manager to the issue hereby confirm that the issue is 100% Underwritten by Shreni Shares Limited in the capacity of Underwriter to the issue.

Pursuant to the terms of the Underwriting Agreement dated September 29, 2023 entered into by Company and Underwriter Shreni Shares Limited, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	No. of Equity Shares Underwritten*	Amount Underwritten (₹ in Lakhs)	% of total Issue size underwritten
<b>Shreni Shares Limited</b> <i>(Formerly Known as Shreni Shares Private Limited)</i> A/007, Western Edge - II, Kanakia Space, Behind Metro Mall, off Western Express Highway, Magathane, Boriwali East, Mumbai – 400066, Maharashtra, India. <b>Tel. No.:</b> 022 - 20897022 <b>Email:</b> <a href="mailto:shrenishares@gmail.com">shrenishares@gmail.com</a> <b>Website:</b> <a href="http://www.shreni.in">www.shreni.in</a> <b>Investor Grievance E-mail:</b> <a href="mailto:info@shreni.in">info@shreni.in</a> <b>Contact Person:</b> Mr. Parth Shah <b>SEBI Registration No.:</b> INM000012759	Upto 47,40,000* Equity Shares of ₹ 10/- being Issued at ₹ [●] each	[●]	[●]

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

As per Regulation 260(2) of SEBI (ICDR) Regulations, the Book Running Lead Manager has agreed to underwrite to a minimum extent of Issue out of its own account.

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

## MARKET MAKER

Our Company and the Book Running Lead Manager has entered into Market Making Agreement dated [●] with the following Market Maker, to fulfil the obligations of Market Making for this Issue:

[●]

## DETAILS OF THE MARKET MAKING AGREEMENT

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of SME Platform of BSE Limited (BSE SME) and SEBI from time to time
3. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the SME Platform of BSE from time to time).
5. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
6. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and SME Platform of BSE Limited i.e., BSE SME from time to time.
7. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
8. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
9. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
10. 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.
11. The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
12. 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.
13. The Market Maker(s) shall have the right to terminate said arrangement by giving a three months' notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the Book Running Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.

14. Risk containment measures and monitoring for Market Makers: BSE SME Exchange will have all margins, which are applicable on the BSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
15. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by exchange from time to time.
16. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:
  - i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.

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

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

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

17. **Punitive Action in case of default by Market Makers:** BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

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

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

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

## CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Red Herring Prospectus and after giving effect to this Issue, is set forth below:

		<i>Amount (Rs. in Lakhs, except share data)</i>	
Sr. No.	Particulars	Aggregate nominal Value	Aggregate Value at Issue Price
A.	<b>Authorized Share Capital</b> 1,80,00,000 Equity Shares having Face Value of Rs 10/- each	1800.00	-
B.	<b>Issued, Subscribed &amp; Paid-up Share Capital before the Issue</b> 1,28,24,795 Equity Shares having Face Value of Rs.10/- each fully paid up before the Issue.	1282.48	-
C.	<b>Present Issue in terms of the Draft Red Herring Prospectus</b> Issue of upto 47,40,000 Equity Shares having Face Value of Rs.10/- each at a price of Rs. [●] per Equity Share.	[●]	[●]
	<i>Which Comprises</i>	[●]	[●]
I.	<b>Reservation for Market Maker portion</b> [●] Equity Shares of Rs. 10/- each at a price of Rs. [●] per Equity Share reserved as Market Maker Portion	[●]	[●]
II.	<b>Net Issue to the Public</b> Net Issue to Public of [●] Equity Shares of Rs. 10/- each at a price of Rs. [●] per Equity Share to the Public	[●]	[●]
	<i>of which</i>	[●]	[●]
	At least [●] Equity Shares aggregating up to Rs. [●] Lakhs will be available for allocation to Retail Individual Investors	[●]	[●]
	At least [●] Equity Shares aggregating up to Rs. [●] Lakhs will be available for allocation to Non-Institutional Investors	[●]	[●]
	Not more than [●] Equity Shares aggregating up to Rs. [●] Lakhs will be available for allocation to Qualified Institutional Buyers, five per cent. Of which shall be allocated to mutual funds.	[●]	[●]
D.	<b>Issued, Subscribed and Paid-up Equity Share capital after the Issue</b> [●] Equity Shares of Rs. 10/- each	[●]	-
E.	Securities Premium Account		
	Before the Issue		Nil
	After the Issue		[●]*

<sup>(1)</sup> The Present Issue of Equity Shares in terms of Draft Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated September 15, 2023 and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting of the members held on September 15, 2023.

\*The amount disclosed is prior to deduction of Issue expenses.

### CLASS OF SHARES

As on the date of Draft Red Herring Prospectus, Our Company has only one class of share capital i.e., Equity Shares of Rs.10/- each only. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as on the date of the Draft Red Herring Prospectus.

### NOTES TO CAPITAL STRUCTURE

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

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

- a) The initial Authorised share capital of our Company was ₹400.00 Lakh (Rupees Four Hundred Lakhs) divided into 40,00,000 (Forty Lakh) Equity Shares of ₹10/- each. This Authorised capital was increased to ₹600.00 Lakhs (Six hundred Lakhs) divided into 60,00,000 (Sixty Lakhs) Equity Shares of ₹10/- each pursuant to a resolution passed by our Shareholders in their Extra- Ordinary General Meeting held on August 26, 2013.
- b) The Authorised share capital of ₹600.00 Lakhs (Six hundred Lakhs) divided into 60,00,000 (Sixty Lakhs) Equity Shares of ₹10/- each was increased to ₹1400.00 Lakhs (Fourteen hundred Lakhs) divided into 1,40,00,000 (One crore

forty lakhs) Equity Shares of ₹10/- each pursuant to a resolution passed by our Shareholders in their Extra- Ordinary General Meeting held on March 20, 2023.

- c) Further the authorized share capital of ₹1400.00 Lakhs (Fourteen hundred Lakhs) divided into 1,40,00,000 (One crore forty lakhs) Equity Shares of ₹10/- each was increased to ₹1800.00 Lakhs (Eighteen hundred Lakhs) divided into 1,80,00,000 (One crore eighty lakhs) Equity Shares of ₹10/- each pursuant to a resolution passed by our Shareholders in their Extra- Ordinary General Meeting held on June 22, 2023.

## 2. Equity Share Capital History of our Company:

- (a) The history of the equity share capital and the securities premium account of our company are set out in the following table: -

Date of Allotment / Date of Fully Paid Up	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-Up Share Capital (Rs.)	Cumulative Securities Premium (Rs.)
On Incorporation*	40,00,000	10	10	Cash	Subscription to MOA <sup>(i)</sup>	40,00,000	4,00,00,000	Nil
September 02, 2013	20,00,000	10	10	Cash	Private Placement <sup>(ii)</sup>	60,00,000	6,00,00,000	Nil
March 28, 2023#	19,17,010	10	15.67	Other than Cash	Preferential Allotment <sup>(iii)</sup>	79,17,010	7,91,70,100	1,08,69,446.70
March 28, 2023\$	49,07,785	10	15.67	Other than Cash	Preferential Allotment <sup>(iv)</sup>	1,28,24,795	12,82,47,950	2,78,27,140.95

\*Shares were subscribed to Initial Subscriber to Memorandum of Association on May 04, 2011 pursuant to conversion of partnership firm into private limited company.

#Allotment of 19,17,010 Equity Shares for consideration other than cash for acquiring of 99% of Partners capital of M/s. Swasthik Industries, A Partnership Firm.

\$Allotment of 49,07,785 Equity Shares for consideration other than cash for acquiring of 100% equity shares from shareholders of Swasthik Preforms Private Limited.

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

### Notes:

- (i) Initial Subscribers to the Memorandum of Association subscribed 40,00,000 Equity Shares of Face Value of Rs. 10/- each, details of which are given below:

Sr. No.	Names of Person	Number of Shares Allotted
1.	Mrs. D Anita	20,00,000
2.	Mrs. Yeshpal Shivani	4,00,000
3.	Mr. Mahendrakumar Nirmala	4,00,000
4.	Mrs. R Asha Jain	4,00,000
5.	Mr. Ramnath Ashok Pappa	4,00,000
6.	Mr. Misrilal Parasmal	1,20,000
7.	Mr. Parasmal Ravindra Kumar	1,20,000
8.	Mr. Ramnath Ashok	80,000
9.	Mr. Vijayakumar Chainraj Jain	80,000
	<b>Total</b>	<b>40,00,000</b>

- (ii) Further Allotment of 20,00,000 Equity Shares of Face Value of Rs. 10/- each fully paid. The details of which are given below:

Sr. No.	Names of Person	Number of Shares Allotted
1.	Mr. Misrilal Parasmal	6,00,000
2.	Mr. Parasmal Ravindra Kumar	6,00,000
3.	Mr. Parasmal Dharmendra Kumar	6,50,000
4.	Mr. Parasmal Mahendra Kumar	1,50,000
	<b>Total</b>	<b>20,00,000</b>

(iii) Further Allotment of 19,17,010 Equity Shares of Face Value of Rs. 10/- each at a premium of Rs.5.67/- per share for consideration other than cash for acquiring of 99% of Partners capital of M/s. Swashthik Industries. The details of which are given below:

Sr. No.	Names of Person	Number of Shares Allotted
1.	Mr. Mahendrakumar Nirmala	7,55,186
2.	Mr. Parasmal Ravindra Kumar	3,87,275
3.	Mrs. Sujatha Mehta	4,84,093
4.	Mr. Nitesh Shah	1,93,637
5.	Mrs. V Soniya	96,819
	<b>Total</b>	<b>19,17,010</b>

(iv) Further Allotment of 49,07,785 Equity Shares of Face Value of Rs. 10/- each at a premium of Rs.5.67/- per share for consideration other than cash for acquiring of 100% equity shares from shareholders of Swashthik Preforms Private Limited. The details of which are given below:

Sr. No.	Names of Person	Number of Shares Allotted
1	Mr. Mahendrakumar Nirmala	14,72,336
2	Mrs. R Asha Jain	7,63,433
3	Mr. Parasmal Ravindra Kumar	2,18,124
4	Mr. Vijayakumar Chainraj Jain	1,22,695
5	Mr. Parasmal Mahendra Kumar	4,90,778
6	Mrs. Sujatha Mehta	4,90,778
7	Mr. Nitesh Shah	2,18,124
8	Mrs. V Soniya	1,22,695
9	Mr. Arihanth Mehta	2,45,389
10	Mr. Shreyans Mehta	2,45,389
11	Mrs. Simran Mehta	2,45,389
12	Mr. Manish Shah	2,72,655
	<b>Total</b>	<b>49,07,785</b>

3. As on the date of the Draft Red Herring Prospectus, our Company does not have any preference share capital.

Except as disclosed below, we have not issued any Equity Shares for consideration other than cash, at any point of time since Incorporation:

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
March 28, 2023	19,17,010	10.00	15.67	Other than Cash - Acquisition	Acquiring of 99% of Partners capital of M/s. Swashthik Industries, partnership firm	Mr. Mahendrakumar Nirmala	7,55,186
						Mr. Parasmal Ravindra Kumar	3,87,275
						Mrs. Sujatha Mehta	4,84,093
						Mr. Nitesh Shah	1,93,637
						Mrs. V Soniya	96,819
March 28, 2023	49,07,785	10.00	15.67	Other than Cash - Acquisition	Acquiring of 100% Equity Shares from Shareholders of M/s. Swashthik Preforms Private Limited	Mr. Mahendrakumar Nirmala	14,72,336
						Mrs. R Asha Jain	7,63,433
						Mr. Parasmal Ravindra Kumar	2,18,124
						Mr. Vijayakumar Chainraj Jain	1,22,695
						Mr. Parasmal Mahendra Kumar	4,90,778
						Mrs. Sujatha Mehta	4,90,778
						Mr. Nitesh Shah	2,18,124
Mrs. V Soniya	1,22,695						

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
						Mr. Arihanth Mehta	2,45,389
						Mr. Shreyans Mehta	2,45,389
						Mrs. Simran Mehta	2,45,389
						Mr. Manish Shah	2,72,655

4. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
5. No Equity Shares have been allotted pursuant to any scheme approved under section of 230-234 of Companies Act 2013.
6. As on the date of the Draft Red Herring Prospectus, Our Company has not issued any equity shares under any employee stock option scheme and we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme.
7. The Issue Price shall be decided by our Company in consultation with the Book Running Lead Manager, except as disclosed below, we have not issued any Equity Shares at price below issue price within last one year from the date of this Draft Red Herring Prospectus.

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons of Allotment	Whether part of Promoter Group	Allottees	No. of Shares Allotted
March 28, 2023	19,17,010	10.00	15.67	Other than Cash – Acquisition	Promoter	Mr. Mahendrakumar Nirmala	7,55,186
					Promoter	Mr. Parasmal Ravindra Kumar	3,87,275
					Public	Mrs. Sujatha Mehta	4,84,093
					Public	Mr. Nitesh Shah	1,93,637
					Public	Mrs. V Soniya	96,819
March 28, 2023	49,07,785	10.00	15.67	Other than Cash – Acquisition	Promoter	Mr. Mahendrakumar Nirmala	14,72,336
					Promoter	Mrs. R Asha Jain	7,63,433
					Promoter	Mr. Parasmal Ravindra Kumar	2,18,124
					Public	Mr. Vijayakumar Chainraj Jain	1,22,695
					Promoter	Mr. Parasmal Mahendra Kumar	4,90,778
					Public	Mrs. Sujatha Mehta	4,90,778
					Public	Mr. Nitesh Shah	2,18,124
					Public	Mrs. V Soniya	1,22,695
					Public	Mr. Arihanth Mehta	2,45,389
					Public	Mr. Shreyans Mehta	2,45,389
					Public	Mrs. Simran Mehta	2,45,389
Public	Mr. Manish Shah	2,72,655					

## 8. Our Shareholding Pattern

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

### I – Summary of Shareholding Pattern: -

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)		
								Class-Equity	No of Voting Rights		Total as a % of (A+B+C)			No (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (b)			
									Class	Total									No (a)	As a % of total Shares held (b)
A	Promoter & Promoter Group	8	76948 77	-	-	76948 77	60 %	76948 77	-	76948 77	60 %	-	60%	-	-	-	-	[●]		
B	Public	10	51299 18	-	-	51299 18	40 %	51299 18	-	51299 18	40 %	-	40%	-	-	-	-	[●]		
C	Non – Promoter Non – Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	<b>Total</b>	<b>18</b>	<b>1,28,24,795</b>	<b>-</b>	<b>-</b>	<b>1,28,24,795</b>	<b>100.00</b>	<b>1,28,24,795</b>	<b>-</b>	<b>1,28,24,795</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>[●]</b>		

9. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Draft Red Herring Prospectus are:

Sr. No.	Name	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre-Issue paid up Capital)
1.	Mrs. D Anita	1130000	8.81
2.	Mrs. Mahendrakumar Nirmala	2635267	20.55
3.	Mrs. R Asha Jain	1303433	10.16
4.	Mr. Parasmal Ravindra Kumar	1325399	10.33



Sr. No.	Name	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre-Issue paid up Capital)
5.	Mr. Parasmal Mahendra Kumar	840778	6.56
6.	Mrs. P Umrao	360000	2.81
7.	Mr. Vijayakumar Chainraj Jain	271726	2.12
8.	Mrs. Sujatha Mehta	1570032	12.24
9.	Mr. Nitesh Shah	509824	3.98
10.	Mrs. V Soniya	369514	2.88
11.	Mr. Arihanth Mehta	545389	4.25
12.	Mr. Shreyans Mehta	545389	4.25
13.	Mr. Simran Mehta	545389	4.25
14.	Mr. Manish Shah	372655	2.91
15.	Mrs. Rishita Shah	200000	1.56
16.	Mrs. Alpa N Shah	200000	1.56
	<b>Total</b>	<b>1,27,24,795</b>	<b>99.22</b>

10. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company two year prior as on the date of this Draft Red Herring Prospectus are:

Sr. No.	Name	Shares Held (Face Value of Rs. 10 each)	% Shares held (% Pre Issue paid up Capital)
1.	Mrs. D Anita	20,60,000	34.33
2.	Mrs. Mahendrakumar Nirmala	4,00,000	6.67
3.	Mrs. R Asha Jain	7,40,000	12.33
4.	Mr. Misrilal Parasmal	7,20,000	12.00
5.	Mr. Parasmal Ravindra Kumar	7,20,000	12.00
6.	Mr. Parasmal Dharmendra Kumar	6,50,000	10.83
7.	Mr. Parasmal Mahendra Kumar	3,50,000	5.83
8.	Mrs. P Umrao	3,60,000	6.00
	<b>Total</b>	<b>60,00,000</b>	<b>100.00</b>

11. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company one year prior as on the date of this Draft Red Herring Prospectus are:

Sr. No.	Name	Shares Held (Face Value of Rs. 10 each)	% Shares held (% Pre Issue paid up Capital)
1.	Mrs. D Anita	20,60,000	34.33
2.	Mrs. Mahendrakumar Nirmala	4,00,000	6.67
3.	Mrs. R Asha Jain	7,40,000	12.33
4.	Mr. Misrilal Parasmal	7,20,000	12.00
5.	Mr. Parasmal Ravindra Kumar	7,20,000	12.00
6.	Mr. Parasmal Dharmendra Kumar	6,50,000	10.83
7.	Mr. Parasmal Mahendra Kumar	3,50,000	5.83
8.	Mrs. P Umrao	3,60,000	6.00
	<b>Total</b>	<b>60,00,000</b>	<b>100.00</b>

12. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company ten days prior as on the date of this Draft Red Herring Prospectus are:

Sr. No.	Name	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre-Issue paid up Capital)
1.	Mrs. D Anita	11,30,000	8.81
2.	Mrs. Mahendrakumar Nirmala	26,35,267	20.55
3.	Mrs. R Asha Jain	13,03,433	10.16
4.	Mr. Parasmal Ravindra Kumar	13,25,399	10.33
5.	Mr. Parasmal Mahendra Kumar	8,40,778	6.56
6.	Mrs. P Umrao	3,60,000	2.81
7.	Mr. Vijayakumar Chainraj Jain	2,71,726	2.12

Sr. No.	Name	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre-Issue paid up Capital)
8.	Mrs. Sujatha Mehta	15,70,032	12.24
9.	Mr. Nitesh Shah	5,09,824	3.98
10.	Mrs. V Soniya	3,69,514	2.88
11.	Mr. Arihanth Mehta	5,45,389	4.25
12.	Mr. Shreyans Mehta	5,45,389	4.25
13.	Mr. Simran Mehta	5,45,389	4.25
14.	Mr. Manish Shah	3,72,655	2.91
15.	Mrs. Rishita Shah	2,00,000	1.56
16.	Mrs. Alpa N Shah	2,00,000	1.56
	<b>Total</b>	<b>1,27,24,795</b>	<b>99.22</b>

13. Except as disclosed below, no subscription to or sale or purchase of the securities of our Company within three years preceding the date of filing of the Draft Red Herring Prospectus by our Promoters or Directors or Promoter Group which in aggregate equals to or is greater than 1% of the pre- issue share capital of our Company.

Sr. No.	Name of Shareholders	Date of Transaction	Promoter/ Promoter Group/ Director	Number of Equity Shares Subscribed to/ Acquired	Number of Equity Shares Sold	Subscribed/ Acquired/ Transferred
1.	Mrs. D Anita	20.03.2023	Promoter	--	9,30,000	Transferred
2.	Mrs. R Asha Jain	20.03.2023	Promoter	--	2,00,000	Transferred
3.	Mr. Misrilal Parasmal	20.03.2023	Promoter	--	6,70,000	Transferred
4.	Mr. Parasmal Dharmendra Kumar	20.03.2023	Promoter	--	6,00,000	Transferred
5.	Mrs. Mahendrakumar Nirmala	28.03.2023	Promoter	7,55,186	--	Allotment
6.	Mr. Parasmal Ravindra Kumar	28.03.2023	Promoter	3,87,275	--	Allotment
7.	Mrs. Mahendrakumar Nirmala	28.03.2023	Promoter	14,72,336	--	Allotment
8.	Mrs. R Asha Jain	28.03.2023	Promoter	7,63,433	--	Allotment
9.	Mr. Parasmal Ravindra Kumar	28.03.2023	Promoter	2,18,124	--	Allotment
10.	Mr. Parasmal Mahendra Kumar	28.03.2023	Promoter	4,90,778	--	Allotment

14. None of our Directors or Key Managerial Personnel hold any Equity Shares other than as set out below:

Name	Designation	No. of Equity Shares held
Mr. Parasmal Mahendra Kumar	Chairman & Non-Executive Director	8,40,778
Mr. Parasmal Ravindra Kumar	Non-Executive Director	13,25,399
Mrs. Mahendrakumar Nirmala	Non-Executive Director	26,35,267
Mrs. Sujathaa Mehta	Non-Executive Director	15,70,032

15. Capital Build up in respect of shareholding of our Promoter:

As on date of the Draft Red Herring Prospectus, our promoters Mr. Parasmal Mahendra Kumar, Mr. Parasmal Ravindra Kumar, Mr. Parasmal Dharmendra Kumar, Mr. Misrilal Parasmal, Mrs. P Umrao, Mrs. Mahendrakumar Nirmala, Mrs. R Asha Jain and Mrs. D Anita holds 76,94,877 Equity Shares constituting 60.00% of the issued, subscribed and paid-up Equity Share capital of our Company. None of the Equity Shares held by our Promoter are subject to any pledge.

Date of Allotment and made fully paid up /transfer	Nature of Issue	No. of Equity Shares	Face Value Per Share (₹)	Issue /Acquisition/ Transfer Price per Equity Share (₹) *	Pre- Issue Shareholding %	Post- Issue Shareholding %	Source of Funds
<b>Mrs. D Anita</b>							
On Incorporation	Subscription to MOA	20,00,000	10.00	10.00	15.59	[●]	Own fund
February 05, 2016	Acquired through Transfer	60,000	10.00	10.00	0.47	[●]	Own fund
March 20, 2023	Transfer	(9,30,000)	10.00	15.67	(7.25)	[●]	Own fund
<b>Total (A)</b>		<b>11,30,000</b>			<b>8.81</b>	<b>[●]</b>	
<b>Mrs. Mahendrakumar Nirmala</b>							
On Incorporation	Subscription to MOA	4,00,000	10.00	10.00	3.12	[●]	Own fund
March 28, 2023	Acquired through Transfer	7745	10.00	15.67	0.06	[●]	Own fund
March 28, 2023	Preferential Allotment	22,27,522	10.00	15.67	17.37	[●]	Own fund
<b>Total (B)</b>		<b>26,35,267</b>			<b>20.55</b>	<b>[●]</b>	
<b>Mrs. R Asha Jain</b>							
On Incorporation	Subscription to MOA	4,00,000	10.00	10.00	3.12	[●]	Own fund
February 05, 2016	Acquired through Transfer	3,10,000	10.00	10.00	2.42	[●]	Own fund
June 06, 2016	Acquired through Transfer	30,000	10.00	10.00	0.23	[●]	Own fund
March 20, 2023	Transfer	(2,00,000)	10.00	15.67	(1.56)	[●]	Own fund
March 28, 2023	Preferential Allotment	7,63,433	10.00	15.67	5.95	[●]	Own fund
<b>Total (C)</b>		<b>13,03,433</b>			<b>10.16</b>	<b>[●]</b>	
<b>Mr. Misrilal Parasmal</b>							
On Incorporation	Subscription to MOA	1,20,000	10.00	10.00	0.94	[●]	Own fund
September 02, 2013	Private Placement	6,00,000	10.00	10.00	4.68	[●]	Own fund
March 20, 2023	Transfer	(6,70,000)	10.00	15.67	(5.22)	[●]	Own fund
<b>Total (D)</b>		<b>50,000</b>			<b>0.39</b>		
<b>Mr. Parasmal Ravindra Kumar</b>							
On Incorporation	Subscription to MOA	1,20,000	10.00	10.00	0.94	[●]	Own fund
September 02, 2013	Private Placement	6,00,000	10.00	10.00	4.68	[●]	Own fund
March 28, 2023	Preferential Allotment	6,05,399	10.00	15.67	4.72	[●]	Own fund
<b>Total (E)</b>		<b>13,25,399</b>			<b>10.33</b>	<b>[●]</b>	
<b>Mr. Parasmal Dharmendra Kumar</b>							
September 02, 2013	Private Placement	6,50,000	10.00	10.00	5.07	[●]	Own fund
March 20, 2023	Transfer	(6,00,000)	10.00	15.67	(4.68)	[●]	Own fund
<b>Total (F)</b>		<b>50,000</b>			<b>0.39</b>		
<b>Mr. Parasmal Mahendra Kumar</b>							
September 02, 2013	Private Placement	1,50,000	10.00	10.00	1.17	[●]	Own fund

Date of Allotment and made fully paid up /transfer	Nature of Issue	No. of Equity Shares	Face Value Per Share (₹)	Issue /Acquisition/ Transfer Price per Equity Share (₹) *	Pre- Issue Shareholding %	Post- Issue Shareholding %	Source of Funds
June 06, 2016	Acquired through Transfer	2,00,000	10.00	10.00	1.56	[●]	Own fund
March 28, 2023	Preferential Allotment	4,90,778	10.00	15.67	3.83	[●]	Own fund
<b>Total (G)</b>		<b>8,40,778</b>			<b>6.56</b>		
<b>Mrs. P Umrao</b>							
February 05, 2016	Acquired through Transfer	50,000	10.00	10.00	0.39	[●]	Own fund
June 06, 2016	Acquired through Transfer	3,10,000	10.00	10.00	2.42	[●]	Own fund
<b>Total (H)</b>		<b>3,60,000</b>			<b>2.81</b>		
<b>TOTAL (A+B+C+D+E+F+G+H)</b>		<b>7694877</b>			<b>60.00</b>		

16. The average cost of acquisition of or subscription to Equity Shares by our Promoter is set forth in the table below:

Name of the Promoter	No. of Shares held	Average Cost of Acquisition per Share (In Rs.) *
Mrs. D Anita	11,30,000	5.33
Mrs. Mahendrakumar Nirmala	26,35,267	14.81
Mrs. R Asha Jain	13,03,433	12.45
Mr. Misrilal Parasmal	50,000	0.00
Mr. Parasmal Ravindra Kumar	13,25,399	12.59
Mr. Parasmal Dharmendra Kumar	50,000	0.00
Mr. Parasmal Mahendra Kumar	8,40,778	13.31
Mrs. P Umrao	3,60,000	10.00

\*Average cost of acquisition is calculated on the basis of face value of equity shares of Rs. 10/- each. The average cost of acquisition of Equity Shares by our Promoter has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date.

17. There are no Equity Shares purchased/acquired or sold by our Promoters, Promoter Group and/or by our directors and their immediate relatives within six months immediately preceding the date of filing of the Draft Red Herring Prospectus.

18. Details of the Pre and Post Issue Shareholding of our Promoter and Promoter Group as on the date of the Draft Red Herring Prospectus is as below: -

Sr. No	Names	Pre- Issue		Post Issue	
		Shares Held	% Shares Held	Shares Held	% Shares Held
<b>Promoters</b>					
1.	Mrs. D Anita	11,30,000	8.81	11,30,000	[●]
2.	Mrs. Mahendrakumar Nirmala	26,35,267	20.55	26,35,267	[●]
3.	Mrs. R Asha Jain	13,03,433	10.16	13,03,433	[●]
4.	Mr. Misrilal Parasmal	50,000	0.39	50,000	[●]
5.	Mr. Parasmal Ravindra Kumar	13,25,399	10.33	13,25,399	[●]
6.	Mr. Parasmal Dharmendra Kumar	50,000	0.39	50,000	[●]
7.	Mr. Parasmal Mahendra Kumar	8,40,778	6.56	8,40,778	[●]
8.	Mrs. P Umrao	3,60,000	2.81	3,60,000	[●]
	<b>TOTAL A</b>	<b>76,94,877</b>	<b>60.00</b>	<b>76,94,877</b>	<b>[●]</b>
<b>Promoter Group</b>					
	<b>TOTAL B</b>	--	--	--	--
	<b>GRAND TOTAL (A+B)</b>	<b>76,94,877</b>	<b>60.00</b>	<b>76,94,877</b>	<b>[●]</b>

19. Details of Promoter's Contribution locked in for three years:

Date of Allotment / transfer of fully paid-up Shares	Date when made Fully paid up	Nature of Allotment/ Acquired/Transfer	No. of shares Allotted/ Acquired Transferred	Face Value (Rs.)	Issue Price/ Transfer Price (Rs.)	% of Pre Issue Shareholding	% of Post Issue Shareholding	Lock in Period
<b>Mrs. D Anita</b>								
On Incorporation	On Incorporation	Subscription to MOA	10,70,000	10.00	10.00	8.34	[●]	3 Years
February 05, 2016	February 05, 2016	Acquired through Transfer	60,000	10.00	10.00	0.47	[●]	3 Years
<b>Total (A)</b>			<b>11,30,000</b>			<b>8.81</b>	<b>[●]</b>	
<b>Mrs. Mahendrakumar Nirmala</b>								
On Incorporation	On Incorporation	Subscription to MOA	4,00,000	10.00	10.00	3.12	[●]	3 Years
<b>Total (B)</b>			<b>4,00,000</b>			<b>3.12</b>	<b>[●]</b>	
<b>Mrs. R Asha Jain</b>								
On Incorporation	On Incorporation	Subscription to MOA	2,00,000	10.00	10.00	1.56	[●]	3 Years
February 05, 2016	February 05, 2016	Acquired through Transfer	3,10,000	10.00	10.00	2.42	[●]	3 Years
June 06, 2016	June 06, 2016	Acquired through Transfer	30,000	10.00	10.00	0.23	[●]	3 Years
<b>Total (C)</b>			<b>5,40,000</b>			<b>4.21</b>		
<b>Mr. Misrilal Parasmal</b>								
September 02, 2013	September 02, 2013	Private Placement	50,000	10.00	10.00	0.39	[●]	3 Years
<b>Total (D)</b>			<b>50,000</b>			<b>0.39</b>	<b>[●]</b>	
<b>Mr. Parasmal Ravindra Kumar</b>								
On Incorporation	On Incorporation	Subscription to MOA	1,20,000	10.00	10.00	0.94	[●]	3 Years
September 02, 2013	September 02, 2013	Private Placement	6,00,000	10.00	10.00	4.68	[●]	3 Years
<b>Total (E)</b>			<b>7,20,000</b>			<b>5.61</b>		
<b>Mr. Parasmal Dharmendra Kumar</b>								
September 02, 2013	September 02, 2013	Private Placement	50,000	10.00	10.00	0.39	[●]	3 Years
<b>Total (F)</b>			<b>50,000</b>			<b>0.39</b>		
<b>Mr. Parasmal Mahendra Kumar</b>								
September 02, 2013	September 02, 2013	Private Placement	1,50,000	10.00	10.00	1.17	[●]	3 Years
June 06, 2016	June 06, 2016	Acquired through Transfer	2,00,000	10.00	10.00	1.56	[●]	3 Years
<b>Total (G)</b>			<b>3,50,000</b>			<b>2.73</b>		
<b>Mrs. P Umrao</b>								
February 05, 2016	February 05, 2016	Acquired through Transfer	50,000	10.00	10.00	0.39	[●]	3 Years
June 06, 2016	June 06, 2016	Acquired through Transfer	3,10,000	10.00	10.00	2.42	[●]	3 Years
<b>Total (H)</b>			<b>3,60,000</b>			<b>2.81</b>	<b>[●]</b>	
<b>TOTAL (A+B+C+D+E+F+G+H)</b>			<b>36,00,000</b>			<b>28.07</b>		

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as "promoter" under the SEBI ICDR Regulations. All Equity Shares, which are being locked in are

not ineligible for computation of Minimum Promoters Contribution as per Regulation 237 of the SEBI ICDR Regulations and are being locked in for 3 years as per Regulation 236 of the SEBI ICDR Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this Issue.

No Equity Shares proposed to be locked-in as Minimum Promoters Contribution have been issued out of revaluation reserve or for consideration other than cash and revaluation of assets or capitalization of intangible assets, involved in such transactions.

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

Our Promoters, Mr. Parasmal Mahendra Kumar, Mr. Parasmal Ravindra Kumar, Mr. Parasmal Dharmendra Kumar, Mr. Misrilal Parasmal, Mrs. P Umrao, Mrs. Mahendrakumar Nirmala, Mrs. R Asha Jain and Mrs. D Anita has, by a written undertaking, consented to have 36,00,000 Equity Shares held by them to be locked in as Minimum Promoters Contribution for a period of three years from the date of allotment in this Issue and will not be disposed/sold/transferred by the promoter during the period starting from the date of filing this Draft Red Herring Prospectus with SME Platform of BSE Limited till the date of commencement of lock-in period as stated in this Draft Red Herring Prospectus. The Equity Shares under the Promoters contribution will constitute [●] of our post-Issue paid up share capital.

Our Promoters have also consented that the Promoters contribution under Regulation 236 of the SEBI ICDR Regulations will not be less than 20% of the post Issue paid up capital of our Company.

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

Reg. No.	Promoters’ Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter’s Contribution
237 (1) (a) (i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	The Minimum Promoter’s contribution does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets. <b>Hence Eligible</b>
237 (1) (a) (ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoters’ contribution	The minimum Promoter’s contribution does not consist of such Equity Shares. <b>Hence Eligible</b>
237 (1) (b)	Specified securities acquired by the promoters and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India, during the preceding one year at a price lower than the price at which specified securities are being offered to the public in the initial public offer.	The minimum Promoter’s contribution does not consist of such Equity Shares. <b>Hence Eligible.</b>
237 (1) (c)	Specified securities allotted to the promoters and alternative investment funds during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms or limited liability partnerships, where the partners of the erstwhile partnership firms or limited liability partnerships are the promoters of the issuer and there is no change in the management	The minimum Promoter’s contribution does not consist of such Equity Shares. <b>Hence Eligible.</b>
237 (1) (d)	Specified securities pledged with any creditor.	Our Promoter’s has not Pledged any shares with any creditors. Accordingly, the minimum Promoter’s contribution does not consist of such Equity Shares. <b>Hence Eligible.</b>

## Details of Share Capital Locked in For One Year

In terms of Regulation 236 and 237 of the SEBI ICDR Regulations, in addition to the Minimum Promoters contribution which is locked in for 3 (three) years, as specified above, the entire pre-issue equity share capital held by promoters and entire pre-issue capital held by Promoters and Public i.e. [●] Equity Shares shall be locked in for a period of 1 (one) year from the date of allotment of Equity Shares in this Issue.

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

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

- a) In terms of Regulation 242 of the SEBI ICDR Regulations, the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.
- b) In terms of Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 36 or 37 of the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

Further in terms of Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to new promoters or persons in control of the company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

20. None of our Promoters, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus.
21. Neither, we nor our Promoters, Directors and the Book Running Lead Manager to this Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.
22. As on the date of filing of the Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person, any option to acquire our Equity Shares after this Initial Public Offer.
23. As on the date of the Draft Red Herring Prospectus, the entire Issued Share Capital, Subscribed and Paid up Share Capital of our Company is fully paid up.
24. Our Company has not raised any bridge loan against the proceeds of the Issue.
25. Since the entire Issue price per share is being called up on application, all the successful applicants will be allotted fully paid-up shares.
26. As on the date of the Draft Red Herring Prospectus, none of the shares held by our Promoters / Promoters Group are subject to any pledge.
27. The Book Running Lead Manager i.e. Shreni Shares Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of the Draft Red Herring Prospectus.
28. We here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Draft Red Herring

Prospectus until the Equity Shares Issued have been listed or application moneys refunded on account of failure of Issue.

29. Our Company does not presently intend or propose to alter its capital structure for a period of six months from the date of opening of the Issue, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. This is except if we enter into acquisition or joint ventures or make investments, in which case we may consider raising additional capital to fund such activity or use Equity Shares as a currency for acquisition or participation in such joint ventures or investments
30. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.
31. An over-subscription to the extent of 2% of the Net 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 2% of the Net Issue. In such an event, the Equity Shares held by the Promoter is used for allotment and lock- in for three years shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
32. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and Designated Stock Exchange i.e. BSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
33. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.
34. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
35. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.
36. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
37. Our Company shall comply with such disclosure and accounting norms as may be specified by BSE, SEBI and other regulatory authorities from time to time.
38. As on the date of the Draft Red Herring Prospectus, Our Company has not issued any equity shares under any employee stock option scheme and we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme.
39. There are no Equity Shares against which depository receipts have been issued.
40. Other than the Equity Shares, there is no other class of securities issued by our Company as on date of filing of the Draft Red Herring Prospectus.
41. We have 18 (Eighteen) Shareholders as on the date of filing of the Draft Red Herring Prospectus.
42. There are no safety net arrangements for this Public Issue.
43. Our Promoter and Promoter Group will not participate in this Issue.
44. This Issue is being made through Book Building method.
45. Except as disclosed in the Draft Red Herring Prospectus, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation to the date of the Draft Red Herring Prospectus.
46. No person connected with the Issue shall issue any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.



47. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of registering the Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

## SECTION V – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

#### REQUIREMENT OF FUNDS

The Issue comprises of fresh issue of up to 47,40,000 Equity Shares by our Company aggregating to ₹ [●] Lakhs.

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

1. Funding capital expenditure for developing new manufacturing facilities and installation of Plant and Machinery
2. Funding of capital expenditure requirements of our Company towards Set up of Solar Power Plant
3. Purchase of Plant and Machinery at our existing Manufacturing facility
4. Funding Working Capital Requirements of our Company
5. General corporate purposes#

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

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

The main objects clause of our Memorandum of Association (MOA) enables our Company to undertake its existing activities and these activities which have been carried out until now by our Company are valid in terms of the objects clause of our Memorandum of Association (MOA).

#### ISSUE PROCEEDS

The details of the proceeds from the Issue are provided in the following table:

Particulars	Amt. (₹ in Lakhs)
Gross Issue Proceeds*	[●]
Less: Public Issue Related Expenses*	[●]
<b>Net Issue Proceeds*</b>	<b>[●]</b>

\*To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC

#### UTILISATION OF NET PROCEEDS

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

Sr. No	Particulars	Estimated Amt (₹ in Lakhs) *	% Of Gross Proceeds	% Of Net Proceeds
1.	Funding capital expenditure for developing new manufacturing facilities and installation of Plant and Machinery	1,567.01	[●]	[●]
2.	Funding of capital expenditure requirements of our Company towards Set up of Solar Power Plant	1040.17	[●]	[●]
3.	Purchase of Plant and Machinery at our existing Manufacturing facility	104.43	[●]	[●]
4.	Funding Working Capital Requirements of our Company*	[●]	[●]	[●]
5.	General corporate purposes#	[●]	[●]	[●]
	<b>Total</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

#The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the Issue.

\*To be updated in the Prospectus prior to filing with RoC.

#### PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF THE NET PROCEEDS

The Net Proceeds of the Issue (“**Net Proceeds**”) are currently expected to be deployed in accordance with the schedule as stated below:

(₹ in lakhs)

Sr. No.	Object	Amount to be financed from Net Proceeds*	Estimated Utilization of Net Proceeds in F. Y. 2023-24
1.	Funding capital expenditure for developing new manufacturing facilities and installation of Plant and Machinery	1,567.01	1,567.01
2.	Funding of capital expenditure requirements of our Company towards purchase of Solar Power Plant	1040.17	1040.17
3.	Purchase of Plant and Machinery at our existing Manufacturing facility	104.43	104.43
4.	Funding Working Capital Requirements of our Company*	[●]	[●]
5.	General corporate purposes <sup>#</sup>	[●]	[●]
	<b>Total</b>	[●]	[●]

*#The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the issue*

*\*To be updated in the Prospectus prior to filing with RoC.*

Our Company proposes to deploy the entire Net Proceeds towards the aforementioned Objects during Fiscal 2023-24. In the event that the estimated utilization of the Net Proceeds in scheduled fiscal years is not completely met, due to the reasons stated above, the same shall be utilized in the next fiscal year, as may be determined by the Board, in accordance with applicable laws. If the actual utilization towards any of the Objects is lower than the proposed deployment, such balance will be used towards general corporate purposes, to the extent that the total amount to be utilized towards general corporate purposes is within the permissible limits in accordance with the SEBI ICDR Regulations. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue, subject to compliance with applicable laws.

#### MEANS OF FINANCE

Particulars	Amt. (₹ in Lakhs)
Net Proceeds	[●]
<b>Total</b>	[●]

The Requirement of funds will be met from the Net Proceeds and the balancing amount will be funded through Company's internal accruals and hence, no amount is proposed to be raised through any other means of finance. Accordingly, we are in compliance with the requirements prescribed under Paragraph 9(C)(1) of Part A of Schedule VIII and Regulation 7(1)(e) of the SEBI ICDR Regulations which require firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue and existing identifiable internal accruals. In case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals. Further, as on date of this DRHP, the Company has not deployed any funds towards the Object of the Issue.

The fund requirement and deployment is based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in the light of changes in external circumstances or costs or other financial conditions and other external factors.

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds. We further confirm that no part proceed of the Issue shall be utilised for repayment of any Part of unsecured loan outstanding as on date of Draft Red Herring Prospectus.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements

owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled "Risk Factors" beginning on page 27 of the Draft Red Herring Prospectus.

#### **DETAILS OF USE OF ISSUE PROCEEDS:**

##### **1. Funding capital expenditure for developing new manufacturing facilities and installation of Plant and Machinery**

Our company is mainly engaged in the business of manufacturing of a wide range of PET Bottles and PET Preforms which includes PET Bottles for Pharmaceutical application, Liquor application, FMCG Packaging, House Hold applications, Dish wash liquid packaging, Repellent dispenser etc and PET Preforms for Soft Drinks bottles, Packaged Drinking Water bottle and Juice bottles. Our factory is situated at No. A75 - A76, PIPDIC Electronic Park, Thirubuvanai, Mannadipet Commune Puducherry - 605107, Pondicherry, India. We are almost utilising about 80%-90% of the capacity installed in our manufacturing facility.

For Expansion, we intend to establish a new manufacturing facility which will increase the present capacity and subsequently boost our sales and profitability. As part of such investment, we will incur expenditure towards construction and purchase of various Plant and Machinery amounting to Rs. 1,540.01 Lakhs from Net Proceed of the Issue.

The Company is proposing to develop manufacturing facility at A-34 and A-35 PIPDIC Electronic Park, Thrubuvani, Puducherry - 605 107, India. The Property is owned by our subsidiary "Swashthik Polimers".

*The detail of Property by our Subsidiary is as follows:*

<b>Date of License and Lease</b>	<b>Lessor</b>	<b>Address</b>	<b>Period of Lease</b>	<b>Area</b>	<b>Purpose</b>
22/9/2010	Pondicherry Industrial Promotion Development and Investment Corporation Ltd.	A-34 and A-35 PIPDIC Electronic Park, Thrubuvani, Pudicherry - 605 107.	99 years	2,100 Sq. Mt	For New Factory Construction

*Our Company has executed Memorandum of Undertaking dated September 29<sup>th</sup>, 2023 for use of above property and setting up manufacturing facility.*

##### **Estimated Cost for Construction of factory building:**

The measurement of the built-up area of proposed building to be constructed is about **47,695 Square Feet (approx.)**. The construction will be for **Ground + First + Second + Third Floor**. The measurement of the built-up area of ground floor, first floor, second floor & third floor including the all-area of staircase, lift wall, lift machine room at terrace floor, Electrical duct, firefighting duct, lift machine room, lobby at terrace floor, watchmen cabin and the area of meter room shall be counted 100% Area of overhead tank.

*The breakup of construction is as follows:*

<b>Sr.No.</b>	<b>Particulars</b>	<b>Quantity</b>	<b>Rate</b>	<b>Amount</b>
<b>Sub Structure</b>				
1.	Excavation & chiseling by Hydraulic Excavator (including Poclain, Operator, Fuel & Machine)	984.0m3	400/ m3	3,93,600
2.	Providing of Rubble Solling at Footing Bottom & Backfilling the Excavated Area by Murum	226.0 m3	1340/ m3	3,05,000
3.	Providing & Fixing Reinforcement for Footing	18 ton	60000/ Ton	10,80,000
4.	Providing M30 Concrete for Footing	190.0m3	5900/m3	11,21,000
5.	Providing & Fixing Reinforcement for Ground Beam	8 ton	60000/Ton	4,80,000
6.	Providing M30 Concrete for Ground Beam Casting	60.0m3	5,900/ m2	3,54,000
7.	Providing & Constructing Plinth Level Brick Work with Well Burnt First Class Brick	100 m2	1500.0/ m2	1,50,000
8.	Providing PCC V Work In Ratio of Concrete	500.0m3	1500/ m3	8,00,000
9.	Both Side Plastering for Plinth Level Brick Work with Ratio Of	200m2	550.0/ m2	1,10,000

Sr.No.	Particulars	Quantity	Rate	Amount
	1.6			
<b>Super Structure</b>				
1.	Providing & Binding of Fe500 Reinforcement for RCC Columns	30 ton	60,000/Ton	18,00,000
2.	Providing & Laying Concrete RCC Columns with M30 Concrete Grade	100 m3	5,900/ m3	5,90,000
3.	Providing & Binding of Fe500 Reinforcement for Lintels	6 ton	67,000/Ton	3,60,000
4.	Providing & Laying Cement Concrete Lintels with M30 Concrete Grade	45 m3	5,900/ m3	2,65,500
5.	Providing & Binding of Fe500 Reinforcement for Slab Work	90.0mt	60,000/Ton	54,00,000
6.	Providing & Laying Cement Concrete RCC Slab with M25 Concrete Grade	1,100 m3	5,100/ m3	56,10,000
7.	Providing & Constructing Above Ground Level Brick FRAMIC WORK With Well Burnt First Class Brick	3000 m2	1,500.0/m2	45,00,000
8.	Labour	3000 m2	1,500/m2	39,00,000
9.	Finishing -Plaster, Painting, Elevation	6,300 m2	1,400/m2-	88,20,000
10.	Steel Structure work	Lump sum		1,18,35,500
<b>Total Amount (in Rs.)</b>				<b>4,78,74,700</b>
<b>Total Amount (in Lakhs)</b>				<b>478.75</b>

The above cost is based on certificate issued by registered engineer, **Mr. V. Manikandan D.C.E, B-Tech (civil)** Dated September 26, 2023.

#### **Plant and machinery:**

Our Company has identified the plant and machinery to be purchased and obtained quotations from respective vendors. The amount to be spent and plant and machinery to be procured by our Company will depend upon business requirements and technology advancement. The details and total estimated cost towards purchasing plant and machinery is as follows:

Sr.No.	Particulars	Vendor	Rate	Quantity	Amount
1.	Conveyor Belt with Power Supply of 3-Phase,415V/ 50 Hz, temperature withstanding capacity of 130o C, Horizontal length of 2500 mm	Prasad Crilec Automation Private Limited	2,40,000	06	14,40,000
2.	ABS 50 MBV3 with Standard features	ASB International Pvt. Ltd.	62,33,333	06	374,00,000
3.	ABS 70DPH		1,98,00,000	02	3,96,00,000
4.	Kaeser Air Cooled Screw Compressor Model: CSD 110 capable of a free air delivery of 328 CFM (9.30 cum/min) at a discharge pressure of 10 bar driven by a 55-kW motor	Kaeser Compressors (India) Pvt. Ltd	14,25,000	02	28,50,000
5.	Kaeser Booster Model: N 351 G at an inlet Pressure of 10 Bar and a maximum pressure of 30 Bar driven by a 15 kW Motor		9,80,000	02	19,60,000
6.	Kaeser Air Main Charging System DHS 40 G PS 63		1,80,000	01	1,80,000
7.	Push Damper for tank including its parts and electrical	Matsui Technologies India Limited	28,60,916	01	28,60,916
8.	Bry-Air Green Drysmart Dryer GDS-60 Combo (With GDS-60, HP-175 (175 Ltrs) CRS Insulated & BVL-150F)	Bry-Air (Asia) Pvt. Ltd	4,40,548	01	4,40,548
9.	Bry-Air Green Drysmart Dryer GDS-120 Combo (With GDS-120, HP-350(350 Ltrs) CRS Insulated & BVL-150F)		6,27,436	01	6,27,436
10.	Bry Air Mould Dehumidification System MDS-500		4,04,050	01	4,04,050
11.	Bry Air Mould Dehumidification System MDS-1000		6,67,350	01	6,67,350
12.	Air Cooled Compact Water Chiller, Model SKL 3611 (2- Ckt) Central Design for Inside	Prasad GWK Cooltech Pvt.	76,50,000	01	76,50,000

Sr.No.	Particulars	Vendor	Rate	Quantity	Amount
	Installation	Ltd.			
13.	Dehumidifier Air Dryer Alfa 200 With Loader for ASB 70 DPH	Prasad Kochtechnik	10,66,500	02	21,33,000
14.	Dehumidifier Air Dryer with Ccs for ASB 50MB	Pvt.Ltd	21,39,000	02	42,78,000
15.	Stainless Steel Silo with Accessories		6,90,000	--	6,90,000
16	Mould Sweat Protector for ASB 70 DPH	Prasad GWK Cooltech Pvt. Ltd.	6,93,000	02	13,86,000
17.	Mould Temperature Controller Model Teco Ta 105 Central Design for Inside Installation For 70 Dph	Prasad GWK Cooltech Pvt. Ltd.	2,16,500	02	8,66,000
18.	Mould Temperature Controller Model Teco Ta 50 Central Design for Inside Installation For 50 Mb		1,15,000	06	6,93,000
19.	20 hp high efficiency motor with an FAD of 150 cfm at 35 bar Inlet pressure minimum is 10 bar	RMP Compressors	27,00,000	02	27,00,000
	75 hp - 2 stage airend with variable frequency drive VFD Producing 314 cfm at 12 bar			02	
<b>Total (in Rs.)</b>					<b>10,88,26,300</b>
<b>Total (in Lakhs)</b>					<b>1,088.26</b>

The above Quotations are valid as on the date of this Draft Red Herring Prospectus. Our management are confident enough that such products will be available at quotation price also at the time of purchasing such assets. We have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the equipment or provide the service at the same costs. If there is any increase in the costs of equipment, the additional costs shall be paid by our Company from its internal accruals. The quantity of equipment to be purchased is based on the present estimates of our management. Our Company shall have the flexibility to deploy such machinery in relation to the Capital Expenditure or such other equipment as may be considered appropriate, according to the business or engineering requirements of such facility, subject to the total amount to be utilized towards purchase of such machinery not exceeding the amount as disclosed above.

None of the orders for purchase of the machinery / equipment, as provided above, have been placed as on the date of this Prospectus. No second-hand or used machinery is proposed to be purchased out of the Net Proceeds.

Our Promoters, Promoter Group, Directors, Key Managerial Personnel and Group Companies do not have any interest in the proposed construction of building and civil works, acquisition of plant and machinery, utilities, or in the entities from whom we have obtained quotations in relation to such activities.

#### Governments Approvals

In relation to the Capital Expenditure, we are required to obtain approvals such as licenses under the Factories Act, 1948, no-objection certificates from fire safety authorities, Pollutions and rules and regulations issued by, Ministry of Commerce and Industry.

Our Company undertakes to file necessary applications with the relevant authorities for obtaining all approvals as applicable, at the relevant stages. In the event of any unanticipated delay in receipt of such approvals, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly.

#### **2. Funding of capital expenditure requirements of our Company towards Set up of Solar Power Plant**

Our Board in its meeting dated September 29, 2023 took note that an amount of ₹ 1040.17 Lakhs is proposed to be utilised for funding of capital expenditure requirements of our Company towards of Set up of Solar Power Plant from the Net Proceeds. Our Company has received quotations from suppliers for such solar power plant and is yet to place orders or enter into definitive agreements towards Set up of such solar power plant. Our Company intends to utilise ₹ 1040.17 Lakhs from the Net Proceeds for funding of capital expenditure requirements of our Company towards purchase of Solar Power Plant. The break-down of such estimated costs are set forth below:

Adequate and cost-effective supply of electrical power is critical to our operations, which entails significant consumption of electrical power. Our manufacturing process requires uninterrupted supply of electrical power in order to ensure that we are able to manufacture our products. The shortage or non-availability of electrical power may adversely affect our manufacturing process and have an adverse impact on our results of operations and financial condition. Currently, we

source our power requirements from the state electricity board. There can be no assurance that electricity supplied will be sufficient to meet our requirements or that we will be able to procure adequate and uninterrupted power supply in the future at a reasonable cost. If the supply of electricity is not available for any reason, we will need to rely on alternative sources. However, our Company have suitable power back-up to meet power failure exigencies such as diesel generator sets. Any failure on our part to obtain alternate sources of electricity, in a timely manner, and at an acceptable cost, may have an adverse effect on our business, results of operations, cash flows and financial condition.

Our manufacturing process requires uninterrupted supply of Electric & Power for our manufacturing facility. We consume a substantial amount of power and fuel for our business operations. Our power requirements are met through local authorities, at our manufacturing facility (registered office). To meet exigencies in case of power failure, we have also installed D.G. sets at our manufacturing unit.

Our company intends to utilise ₹ 1,040.17 lakhs towards Development of Solar Power Plant having Capacity of 2 MWp at 128/1Apt, 128-1B, 141pt, 142/3pt, 142-2Apt, 144/1pt, 144-2pt, 144/2pt, 144/4pt, 144/5pt, 144/6pt, 143/1pt, 144/7pt, 145/1pt, 145/2pt, 146/2pt, 146/3pt, 146/4pt, 146/5, 146/6, 146/7, 146/8, 146/9, 146/10pt, 151/5, 151/4pt, 151/6pt, 152/1, 152/2A, 152/3pt, 152/4, 152/5, 152/6Apt, 152/7pt, 152/8, 152/9pt and 152/11Apt. Industrial Growth Centre, Polagam, Karaikal – 609 606, Puducherry, India.

<b>Module</b>	<b>Total Amount excluding Tax</b>
Basic Project Cost for Design, Supply, Installation, & Transportation of 2 MWp Solar Power Plant.	8,40,00,000
Civil work, Fencing, Soil test, Land Levelling, Lighting and security	1,14,00,000
EB yard, AC coupling and Transmission line	86,16,666
<b>Total (in Rs.)</b>	<b>10,40,16,666</b>
<b>Total (in Lakhs)</b>	<b>1040.17</b>

*Based on quotation received from Tata Power Solar Systems Limited Channel Partner - Yali Energies India Pvt Ltd Dated September 26, 2023. Quotation is valid for valid for 6 months from date of quotation.*

The above price includes design, supply, erection and commissioning and technical operation & Maintenance of the project. Our company has not placed any order and has not paid any advance till the date of this Draft Red Herring Prospectus for above object.

The Solar Power Plant will be installed at Industrial Growth Centre, Polagam, Karaikal – 609 606, Puducherry, India. which is owned property of our Company. The Power generated from solar power plant will be used for running the manufacturing facilities as the company is currently dependent on electricity from electricity department, transformers and UPS. The Power expenses will drastically decrease which will impact the profitability of Company.

### **3. Purchase of Plant and Machinery at our existing Manufacturing facility**

To cater to the growing demand from our existing customers and to meet requirements of new customers, we intend to expand and upgrade our manufacturing capacities for existing products that we are in the process of developing and commercializing. We intend to increase our production capacity by way of installation of new plant and machineries at our existing manufacturing facility. We believe our investment in this plant and machineries will add on to our current installed capacity, thus, enabling us to cater to the growing demand from our customers and add new products in our existing product portfolio. The new plant and machineries to be installed are technological advanced and we intend to replace some of our plant and machineries with the new ones and partly install new plant and machinery at our manufacturing facility. We understand that the said installation and replacement shall allow us to be technologically advanced, allowing us to work under the same and approved power requirements and meet functional efficiencies. Relating to the relevant government approval, required for installation of new plant and machineries at our manufacturing facility, we understand that the same are already applied by our Company, for incremental increase in installed capacity, details of which have been mentioned in the chapter titled, “Government and Statutory Approvals” on page 200 of this Draft Red Herring Prospectus. We will continue to pursue such opportunities where we believe they will add value to our business, our stakeholders and our customers.

Our Board in its meeting dated September 29, 2023 took note that an amount of ₹ 104.43 Lakhs is proposed to be utilised for purchase of machineries from the Net Proceeds. Our Company has received quotations from various suppliers for such machineries and is yet to place any orders or enter into definitive agreements for purchase of such machineries. Our Company intends to utilise ₹ 104.43 Lakhs from the Net Proceeds to purchase these machineries.

Our Company has identified the plant and machinery to be purchased and obtained quotations from respective vendors. The amount to be spent and plant and machinery to be procured by our Company will depend upon business requirements and technology advancement. The details and total estimated cost towards purchasing plant and machinery is as follows:

**Plant and machinery:**

Sr.No.	Particulars	Vendor	Rate	Quantity	Amount
1.	Upgradation of ASB 70 DPH ISBM Machine	ASB International Pvt Ltd	10,57,468	1	10,57,468
2.	Upgradation of ASB 50 MB ISBM Machine		47,81,007	1	47,81,007
3.	ASB 50 MB V3 Mold Upgradation Parts for the Molds: 338N9305700, 318N9230400, 318N9230600, 318N9230900, 318N9230800, 328N9284000, 388N9542900.		5,03,721	1	5,03,721
4.	ASB 70 DPH V4 Mold Upgradation Parts for the Molds- 338K6212700, 338K6218600, 318K6175900.		2,90,849	1	2,90,849
5.	1 Liter Kidney 48gm 5 Cavity Full Mould	M/S. Precision Engineering Products	8,00,000	1	8,00,000
6.	375ml /Hybrid/3 Cavity /24gm Inj Core For Mould		11,000	1	11,000
7.	10.5gm /90ml/12cavity / Blow For Mould		2,16,000	1	2,16,000
8.	200ml Doom /4 Cavity/Core For Mould		11,000	1	11,000
9.	100ml Doom /5 Cavity Blow Mould		85,000	1	85,000
10.	100ml Apex 13gm 5 Cavity / Blow Mould		85,000	1	85,000
11.	28mm 37gm Lip Cavity For Mould		16,000	2	32,000
12.	180ml Hybrid 5 Cavity 12.5gm Full Mould		8,00,000	1	8,00,000
13.	90ml /20mm/8.5gm/6 Cavity/Full Mould		8,00,000	1	8,00,000
14.	500ml /36gm 30mm 5 Cavity For Mould		8,00,000	1	8,00,000
15.	180ml Hybrid Blow Mould		85,000	2	1,70,000
Total (in Rs.)					<b>1,04,43,045</b>
Total (in Lakhs)					<b>104.43</b>

**4. Funding of Working capital requirements**

Since Incorporation, our Company is engaged in the business of manufacturing of a wide range of PET Bottles and PET Preforms which includes PET Bottles for Pharmaceutical application, Liquor application, FMCG Packaging, House Hold applications, Dish wash liquid packaging, Repellent dispenser etc and PET Preforms for Soft Drinks bottles, Packaged Drinking Water bottle and Juice bottles. The Business of the Company is working capital intensive; hence it will meet the requirement to the extent of [●] Lakhs from the Net Proceeds of the Issue and balance from borrowings at an appropriate time as per the requirements of the business. The Company will be utilizing the additional working capital for expansion of its business activities.

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

(₹ In Lakhs)

Sr. No.	Particulars	Actual (Restated)			Provisional	Projected
		31-March-21	31-March-22	31-March-23	31-March-24	31-March-25
I	Current Assets				[●]	[●]
	Current Investments	--	--	--	[●]	[●]
	Trade receivables	962.95	893.68	1012.40	[●]	[●]
	Inventories	732.30	786.25	1397.96	[●]	[●]
	Cash and cash equivalents	0.93	2.37	1.61	[●]	[●]
	Short term loan & Advances	6.24	63.15	118.22	[●]	[●]
	Other Current Assets	20.23	21.76	149.14	[●]	[●]
	<b>Total(A)</b>	<b>1722.66</b>	<b>1767.21</b>	<b>2679.32</b>	[●]	[●]



Sr. No.	Particulars	Actual (Restated)			Provisional	Projected
		31-March-21	31-March-22	31-March-23	31-March-24	31-March-25
II	Current Liabilities				[●]	[●]
	Trade payables	532.28	332.30	292.22	[●]	[●]
	Short Term Provisions	1.89	2.04	57.87	[●]	[●]
	Other Current Liabilities	133.17	255.25	923.14	[●]	[●]
	<b>Total (B)</b>	<b>667.34</b>	<b>589.59</b>	<b>1273.24</b>	[●]	[●]
III	Total Working Capital Gap (A-B)	1055.32	1177.62	1406.08	[●]	[●]
IV	Funding Pattern				[●]	[●]
	Short-term borrowing & Internal Accruals	1055.32	1177.62	1406.08	[●]	[●]
	IPO Proceeds				[●]	[●]

Key assumptions for working capital projections made by the Company:

Particulars	Actual March 31, 2021	Actual March 31, 2022	Actual March 31, 2023	Provisional March 31, 2024	Projected March 31, 2025
Debtors (in Days)	87	68	76	[●]	[●]
Creditors (in Days)	54	40	36	[●]	[●]
Inventories (in Days)	79	71	126	[●]	[●]

Sr. No.	Particulars
<b>Debtors</b>	We expect Debtors holding days to be at [●] months approx. for FY 2023-24 based on increased sales of Service and better credit Management policies ensuring timely recovery of dues.
<b>Creditors</b>	We expect creditor payment days to be at [●] months approx. for FY 2023-24 based on better credit period allowed by suppliers.
<b>Inventories (in Month)</b>	We expect inventory holding period to be [●] days for the FY 2023-24 due to better inventory policy of our company.

Justification for increased Working capital for FY 2023 and 2024

##### 5. General Corporate Purposes

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

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Draft Red Herring Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

##### 6. Public Issue Expenses:

The estimated Issue related expenses include Issue Management Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar's Fees, Depository Fee and Listing Fee. The total expenses for this Issue are estimated to be approximately Rs. [●] Lakhs which is [●]% of the Issue Size. All the Issue related expenses shall be proportionately met out from proceeds of the Issue as per applicable laws. The break-up of the same is as follows:

Particulars	Estimated expenses (Rs. In Lakhs) *	As a % of total estimated Issue related expenses*	As a % of the total Issue size*
Book Running Lead Manager Fees including underwriting commission	[●]	[●]	[●]
Brokerage, selling, commission and upload fees	[●]	[●]	[●]
Registrar to the issue	[●]	[●]	[●]
Legal Advisors	[●]	[●]	[●]
Advertising and Marketing expenses	[●]	[●]	[●]
Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of issue stationery	[●]	[●]	[●]
Others, if any (market making, depositories, marketing fees, secretarial, peer review, Advisory Fess auditors, etc.)	[●]	[●]	[●]
<b>Total Estimated Issue Expenses</b>	[●]	[●]	[●]

\* To be incorporated in the Draft Red Herring Prospectus after finalisation of the Issue Price.

**Notes:**

- 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).
- 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.
- 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.
- 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
- 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.

**FUNDS DEPLOYED AND SOURCE OF FUNDS DEPLOYED:**

Our Statutory Auditors M/s. PSDY & Associates, Chartered Accountants vide their certificate dated September 27, 2023 vide UDIN:23234239BGUDPC7427 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt. (₹ in Lakhs) *
Issue Expenses:	8.29
<b>Total</b>	<b>8.29</b>

Amount exclusive of applicable taxes.

**SOURCES OF FINANCING FOR THE FUNDS DEPLOYED:**

Our Statutory Auditors M/s. PSDY & Associates, Chartered Accountants vide their certificate dated September 27, 2023 vide UDIN:23234239BGUDPC7427 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt. (₹ in Lakhs) *
Internal Accruals	8.29
<b>Total</b>	<b>8.29</b>

\*Amount exclusive of applicable taxes.

**APPRAISAL**

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

#### **SHORTFALL OF FUNDS**

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

#### **BRIDGE FINANCING FACILITIES**

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

#### **MONITORING UTILIZATION OF FUNDS**

The Audit Committee & the Board of Directors of our Company will monitor the utilization of funds raised through this public issue. Pursuant to Regulation 32 of SEBI Listing Regulation 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement of funds utilized will be certified by the Statutory Auditors of our Company.

#### **INTERIM USE OF PROCEEDS**

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

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

#### **VARIATION IN OBJECTS**

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

#### **OTHER CONFIRMATIONS**

There is no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel and Group Companies, in relation to the utilization of the Net Proceeds. No part of the proceeds of the Issue will be paid by us to the Promoter and Promoter Group, Group Companies, the Directors, associates or Key Management Personnel, except in the normal course of business and in compliance with applicable law.

## BASIS FOR ISSUE PRICE

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

Bidders should read the following basis with the section titled “Risk Factors” and chapters titled “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Our Business” beginning on page 27, 177, 180 and 100 respectively, of this Draft Red Herring Prospectus to get a more informed view before making any investment decisions.

### QUALITATIVE FACTORS

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “Our Business” beginning on page OUR BUSINESS 120 of this Draft Red Herring Prospectus.

- Experienced management & work force
- Focus on Quality and Safety
- Cost Leadership and time bound execution
- Existing relationship with the clients
- Cordial relationship between management and Labour

### QUALITATIVE FACTORS

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “Our Business” beginning on page 120 of this Draft Red Herring Prospectus.

### QUANTITATIVE FACTORS

The information presented in this chapter is derived from company’s Restated Financial Statements for the financial years ended on March 31, 2023, 2022, and 2021. For more details on financial information, please refer the chapter titled “Restated Financial Statements” beginning on page 177 of this Draft Red Herring Prospectus.

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

#### 1. Basic & Diluted Earnings per share (EPS), as restated:

*Basic earnings per share (₹) = Restated Standalone Profit After Tax attributable to Equity Shareholders / Weighted Average Number of Equity Shares outstanding*

*Diluted earnings per share (₹) = Restated Standalone Profit After Tax attributable to Equity Shareholders / Weighted Average Number of Equity Shares outstanding after adjusting adjusted for the effects of all dilutive potential equity shares*

#### On Standalone Basis

Sr. No	Period	Basic & Diluted (₹)	Weights
1.	FY 2020-21	0.12	1
2.	FY 2021-22	0.22	2
3.	FY 2022-23	4.99	3
	<b>Weighted Average</b>	<b>2.59</b>	<b>6</b>

#### On Consolidated Basis

Sr. No	Period	Basic & Diluted (₹)	Weights
1.	FY 2022-23	4.99	1

Notes:

(i) The figures disclosed above are based on the restated financial statements of the Company.

(ii) The face value of each Equity Share is ₹ 10.00.

(iii) The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV of respective Consolidated and Standalone financials.

## 2. Price Earning (P/E) Ratio in relation to the Issue Price of [●] per share:

$$\text{Price to Earnings Ratio(P/E)} = \frac{\text{Issue Price}}{\text{Restated Standalone /Consolidated Earnings Per Share}}$$

Sr. No	Particulars	P/E
1	P/E ratio based on the Basic & Diluted EPS, as restated for FY 2022-23	[●]
2	P/E ratio based on the Weighted Average EPS	[●]

## 3. Return on Net worth (RoNW)

$$\text{Return on Net Worth (\%)} = \frac{\text{Restated Standalone Profit After Tax attributable to Equity Shareholders} * 100}{\text{Net Worth}}$$

### On Standalone Basis

Sr. No	Period	RONW (%)	Weights
1	FY 2020-21	1.12	1
2	FY 2021-22	2.06	2
3	FY 2022-23	14.95	3
	Weighted Average	8.35	6

### On Consolidated Basis

Sr. No	Period	RONW (%)	Weights
1	FY 2022-23	14.83	1

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

### On Standalone Basis

Sr. No.	As at	NAV
1.	March 31, 2021	10.31
2.	March 31, 2022	10.53
3.	March 31, 2023	15.76
4.	NAV after Issue	[●]
	<b>Issue Price</b>	[●]

### On Consolidated Basis

Sr. No.	As at	NAV
1.	March 31, 2023	15.88
2.	NAV after Issue	[●]
	<b>Issue Price</b>	[●]

## 5. Comparison of Accounting Ratios with Industry Peers

There are no listed companies in India and abroad that is engaged in developing a similar line of product and size to that of our Company. Accordingly, it is not possible to provide a comparison of accounting ratios of industry with our Company.

6. The face value of our shares is ₹10.00 per share and the Issue Price is of [●] per share which is [●] times of the face value.

7. The Issue Price has been determined by our Company in consultation with the Lead Manager and justified by our Company in consultation with the Lead Manager on the basis of above parameters. The investors may also want to peruse the risk factors and financials of the Company including important profitability and return ratios, as set out in the Auditors' Report in the offer Document to have more informed view about the investment.

#### 8. Key performance indicators:

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals in comparison to our peers. The KPIs disclosed below have been approved, by a resolution of our Audit Committee dated September 29, 2023, and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs herein have been certified by *M/s. PSDY & Associates*, Chartered Accountants, by their certificate dated September 27, 2023 having **UDIN:23234239BGUDOY2458**

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

#### *Key Performance Indicators of our Company.*

##### On Standalone Basis

(Rs in lakhs)

Key Financial Performance	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations <sup>(1)</sup>	4561.81	4947.29	3389.66
EBITDA <sup>(2)</sup>	592.54	250.05	150.02
EBITDA Margin <sup>(3)</sup>	12.99%	5.05%	4.43%
PAT	302.19	13.01	6.91
PAT Margin <sup>(4)</sup>	6.62%	0.26%	0.20%

#### Notes:

(1) Revenue from operation means revenue from sales.

(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

#### *Explanation for KPI metrics*

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

#### *Operational KPI's of the Company:*

Key Financial Performance	March 31, 2023	March 31, 2022	March 31, 2021
Revenue split between domestic and exports			
Domestic Market (in Lakhs)	4561.81	4947.29	3389.66
Export Market (in Lakhs)	--	--	--
Domestic Market (%)	100.00	100.00	100.00

Key Financial Performance	March 31, 2023	March 31, 2022	March 31, 2021
Export Market (%)	--	--	--
<b>Contribution to revenue from operations of top 1 / 3 / 5/ 10 customers (Amount in Lakhs)</b>			
Top 1	684.31	658.22	633.14
Top 3	1309.43	1240.62	1207.81
Top 5	1615.92	1581.73	1424.02
Top 10	2118.61	2114.31	1793.95

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

There are no listed companies in India and abroad that is engaged in business of Contract manufacturing and trading firm for textile industry. Accordingly, it is not possible to provide a comparison of accounting ratios of industry with our Company.

#### Weighted average cost of acquisition

- a) **The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities):** There issuance of Equity Shares during the 18 months preceding the date of this Draft Red Herring Prospectus (Except Bonus Issue of Shares), where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days is as follows:

#### Primary Transaction:

Sr. No.	Date of Allotment	Name of Allottees	Number of Equity Shares Allotted	Face Value per Share	Issue Price per (in ₹)
1.	28.03.2023	Mrs. Mahendrakumar Nirmala	7,55,186	10.00	15.67
2.		Mr. Parasmal Ravindra Kumar	3,87,275		
3.		Mrs. Sujatha Mehta	4,84,093		
4.		Mr. Nitesh Shah	1,93,637		
5.		Mrs. V Soniya	96,819		
6.		Mrs. Mahendrakumar Nirmala	14,72,336		
7.		Mrs. R Asha Jain	7,63,433		
8.		Mr. Parasmal Ravindra Kumar	2,18,124		
9.		Mr. Vijayakumar Chainraj Jain	1,22,695		
10.		Mr. Parasmal Mahendra Kumar	4,90,778		
11.		Mrs. Sujatha Mehta	4,90,778		
12.		Mr. Nitesh Shah	2,18,124		
13.		Mrs. V Soniya	1,22,695		
14.		Mr. Arihanth Mehta	2,45,389		
15.		Mr. Shreyans Mehta	2,45,389		
16.		Mrs. Simran Mehta	2,45,389		
17.		Mr. Manish Shah	2,72,655		

- b) **The price per share of our Company based on the secondary sale / acquisition of shares (equity shares):** There are secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Sr. No.	Date of Allotment	Name of transferee and Transferor	Number of Equity Shares Acquired through transfer /(Transfer)	Face Value per Share	Issue Price per (in ₹)
1.	20.03.2023	Mrs. D Anita	(9,30,000)	10.00	15.67
2.		Mrs. R Asha Jain	(2,00,000)		
3.		Mr. Misrilal Parasmal	(6,70,000)		

Sr. No.	Date of Allotment	Name of transferee and Transferor	Number of Equity Shares Acquired through transfer /(Transfer)	Face Value per Share	Issue Price per (in ₹)			
4.		Mr. Vijayakumar Chainraj Jain	1,50,000					
5.		Mr. Parasmal Dharmendra Kumar	(6,00,000)					
6.		Mrs. Sujatha Mehta	6,00,000					
7.		Mr. Nitesh Shah	1,00,000					
8.		Mrs. V Soniya	1,50,000					
9.		Mr. Arihant Mehta	3,00,000					
10.		Mr. Shreyans Mehta	3,00,000					
11.		Mr. Manish Shah	1,00,000					
12.		Mr. Rishita Shah	2,00,000					
13.		Mr. Alpa N Shah	2,00,000					
14.		Mrs. Simran Mehta	3,00,000					
15.		28.03.2023	Mrs. Mahendrakumar Nirmala			7,745	10.00	15.67
16.		Mr. Vijayakumar Chainraj Jain	(969)					
17.		Mrs. Sujatha Mehta	(4,839)					
18.	Mr. Nitesh Shah	(1,937)						

- c) Since there are no transactions to report to under (a) and (b) therefore, information shall be disclosed for price per share of the Issuer Company based on last 5 primary or secondary transactions (secondary transactions where promoter / promoter group entities or shareholder(s) selling shares through offer for sale in IPO or shareholder(s) having the right to nominate director(s) in the Board of the Issuer Company, are a party to the transaction), not older than 3 years prior to the date of filing of the Draft Red Herring Prospectus or Prospectus, irrespective of the size of transactions. There are transaction in point a and b above, hence this point is not applicable

#### Weighted average cost of acquisition on issue price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (i.e., ₹ [●]/-)	Cap price (i.e., ₹ [●] /-)
Weighted average cost of acquisition of primary / new issue as per paragraph a above.	15.67	[●]	[●]
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph b above.	15.67	[●]	[●]
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above	--	--	--

Investors should read the above-mentioned information along with section titled “Our Business”, “Risk Factors” and “Financial Information” beginning on page 120, 27 and 177 respectively including important profitability and return ratios, as set out in chapter titled “Other Financial Information” on page 178 of this Draft Red Herring Prospectus to have a more informed view



## STATEMENT OF POSSIBLE TAX BENEFITS

To,  
The Board of Directors  
**Swashthik Plascon Limited,**  
A73&74, PIPDIC Electronic Park,  
Mannadipet Commune Thirubhuvanai,  
Puducherry - 605 107, India.

Dear Sir,

**Subject: Statement of possible tax benefits (“the statement”) available to Swashthik Plascon Limited (“the company”) and its shareholder prepared in accordance with the requirement in Point No. 9 (L) of Part A of Schedule VI to the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018.**

**REFERENCE - PROPOSED INITIAL PUBLIC OFFER OF SWASHTHIK PLASCON LIMITED EQUITY SHARES OF FACE VALUE OF Rs. 10 EACH (“EQUITY SHARES”) OF SWASHTHIK PLASCON LIMITED (“ISSUER”)**

We hereby confirm that the enclosed Annexure 1 and 2 (together “the Annexures”), prepared by **SWASHTHIK PLASCON LIMITED** (“the Company”), provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 (“the Act”) as amended by the Finance Act 2023, circular and notifications issued from time to time, i.e. applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25, the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 (“GST Act”), as amended by the Finance Act 2023, circular and notifications issued from time to time, i.e., applicable for the Financial Year 2023-24 relevant to the assessment year 2025-25, presently in force in India (together, the “Tax Laws”). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and / or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

1. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the Company’s management. We are informed that these Annexures are only intended to provide information to the investors and are 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 proposed initial public offering.
2. 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;
  - ii) the conditions prescribed for availing the benefits have been / would be met with; and
  - iii) the revenue authorities/courts will concur with the views expressed herein.
3. The contents of the enclosed Annexures are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.
4. No assurance is given that the revenue authorities/ Courts will concur with the view expressed herein. Our views are based on existing provisions of law and its implementation, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.
5. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.
6. This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

for inclusion in the Draft Red Herring Prospectus/Prospectus in connection with the proposed issue of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

**For PSDY & Associates**  
**Chartered Accountants**  
**FRN: 010625S**

**CA Kushal Raj N**  
**Partner**  
**Membership No. 234239**  
**UDIN: 23234239BGUDPJ5999**

**Place:** Puducherry  
**Date:** September 27, 2023

## ANNEXURE 1 TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Act presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

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

**A. SPECIAL TAX BENEFITS TO THE COMPANY** - The Company is not entitled to any special tax benefits under the Act.

**B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER** - The Shareholders of the Company are not entitled to any special tax benefits under the Act

**Note:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft Red Herring Prospectus/Prospectus.

## ANNEXURE 2 TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the GST Act presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

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

**A. SPECIAL TAX BENEFITS TO THE COMPANY** - The Company is not entitled to any special tax benefits under the GST Act.

**B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER** - The Shareholders of the Company are not entitled to any special tax benefits under the GST Act

**Note:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant indirect tax law benefits and does not cover any direct tax law benefits or benefit under any other law.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft Red Herring Prospectus/ Red Herring Prospectus.

## SECTION VI – ABOUT THE COMPANY

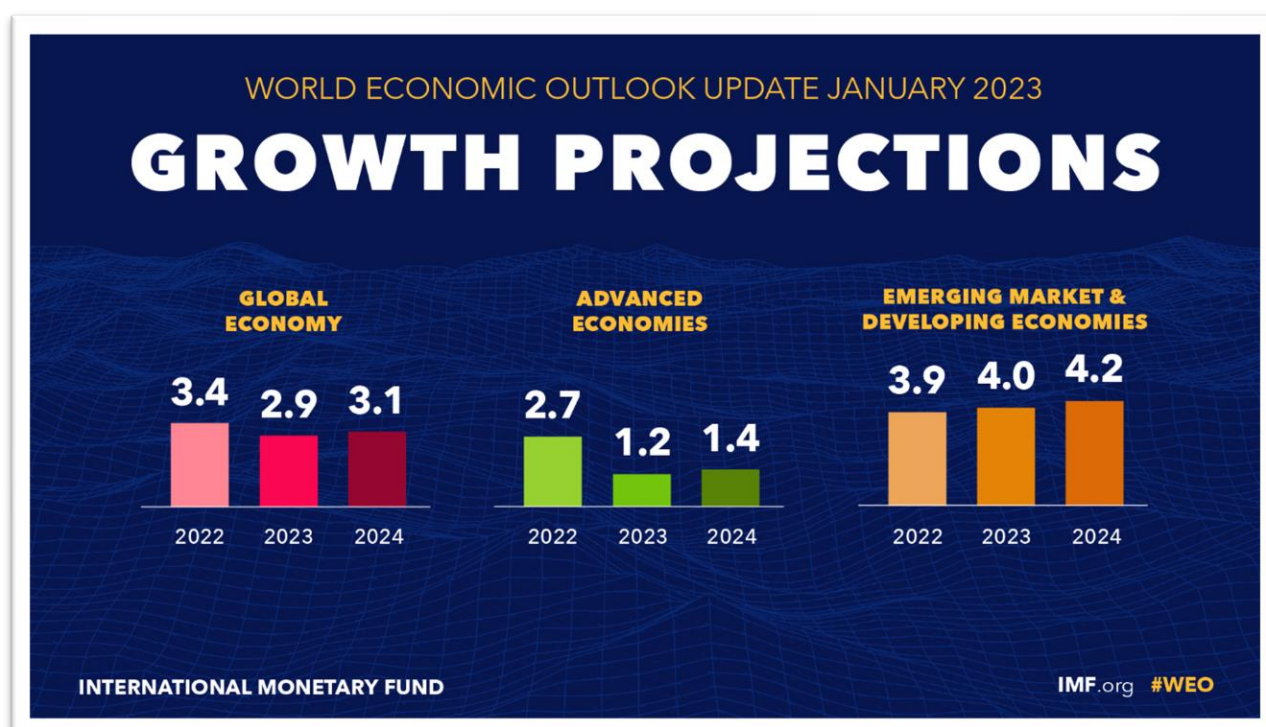
### INDUSTRY OVERVIEW

#### GLOBAL ECONOMY OVERVIEW

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 are 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 costs 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 achieving sustained disinflation. With tighter monetary conditions and lower growth potentially affecting financial and debt stability, it is necessary to deploy macroprudential tools and strengthen debt restructuring frameworks. Accelerating COVID-19 vaccinations in China would safeguard the recovery, with positive cross-border spillovers. 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. Stronger multilateral cooperation is essential to preserve the gains from the rules-based multilateral system and to mitigate climate change by limiting emissions and raising green investment.



#### THE FORCES SHAPING THE OUTLOOK

The global fight against inflation, Russia’s war in Ukraine, and a resurgence of COVID-19 in China weighed on global economic activity in 2022, and the first two factors will continue to do so in 2023.

Despite these headwinds, real GDP was surprisingly strong in the third quarter of 2022 in numerous economies, including the United States, the euro area, and major emerging market and developing economies. The sources of these surprises were in many cases domestic: stronger-than-expected private consumption and investment amid tight labor markets and

greater-than-anticipated fiscal support. Households spent more to satisfy pent-up demand, particularly on services, partly by drawing down their stock of savings as economies reopened. Business investment rose to meet demand. On the supply side, easing bottlenecks and declining transportation costs reduced pressures on input prices and allowed for a rebound in previously constrained sectors, such as motor vehicles. Energy markets have adjusted faster than expected to the shock from Russia's invasion of Ukraine.

In the fourth quarter of 2022, however, this uptick is estimated to have faded in most—though not all—major economies. US growth remains stronger than expected, with consumers continuing to spend from their stock of savings (the personal saving rate is at its lowest in more than 60 years, except for July 2005), unemployment near historic lows, and plentiful job opportunities. But elsewhere, high-frequency activity indicators (such as business and consumer sentiment, purchasing manager surveys, and mobility indicators) generally point to a slowdown.

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

## **INDIAN ECONOMY OVERVIEW**

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Real GDP at constant prices in the second quarter of 2022–23 is estimated at US\$ 1.94 trillion (Rs. 160.06 trillion), showing a growth of 7.2% as compared to the First Revised Estimates of GDP for the year 2021-22 of US\$ 1.81 trillion (Rs. 149.26 trillion), 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. In FY22, India's service exports stood at US\$ 254.4 billion. Furthermore, India's overall exports (services and merchandise) was estimated at US\$ 770.18 billion in FY23. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

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

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

India's appeal as a destination for investments has grown stronger and more sustainable as a result of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

## **MARKET SIZE**

India's nominal gross domestic product (GDP) at current prices is estimated to be at US\$ 3.31 trillion (Rs. 272.41 trillion) in FY22. Additionally, the Nominal GDP at current prices in Q3 of 2022-23 was US\$ 874.84 billion (Rs. 71.82 trillion), as against US\$ 792.3 billion (Rs. 65.05 trillion) in 2021-22, estimating a growth of 10.4%. With 115 unicorns valued at more than US\$ 350 billion, as of February 2023, India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 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 US\$ 1.3 billion, 0.2% of GDP in the fourth quarter of FY23.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Mr. Piyush Goyal, Minister of Commerce and

Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US\$ 1 trillion by 2030.

## **RECENT DEVELOPMENTS**

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

- As of January 6, 2023, India's foreign exchange reserves stood at US\$ 561,583 million.
- 1,261 deals were recorded of more than US\$ 46 billion of Private Equity (PE) – Venture Capitalist (VC) investments in 2022. 111 mega transactions (rounds of US\$ 100 million or more) totalling US\$ 31 billion were completed in 2022.
- Merchandise exports in March 2023 stood at US\$ 38.38 billion, with total merchandise export of US\$ 447.46 billion during the period of April-March 2023. The overall exports (merchandise and service exports) in 2022-23 was estimated at US\$ 770.18, exhibiting a positive growth of 13.84%.
- India ranks 3rd position in the global number of scientific publications further improving India's Global Innovation Index (GII) rank from 81st in 2014 to 40th in 2022.
- PMI Services remained comfortably in the expansionary zone at 57.8 in the month of June 2023.
- In June 2023, the gross Goods and Services Tax (GST) revenue collection stood at US\$ 19.63 billion (Rs.1,61,497 crore), of which CGST is US\$ 3.77 billion (Rs. 31,013 crore), SGST is US\$ 4.65 billion (Rs. 38,292 crore), IGST is US\$ 9.76 billion (Rs. 80,292 crore).
- Between April 2000 – March 2023, cumulative FDI equity inflows to India stood at US\$ 9919.63 billion.
- In May 2023, the overall IIP (Index of Industrial Production) stood at 145. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 128.1, 142.3 and 201.6, respectively, in May 2023.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 4.81% in June 2023.
- In FY23, the Foreign Portfolio Investment (FPI) outflows stood at US\$ 14.81 billion (Rs. 1.21 trillion). As per depository data, Foreign Portfolio Investors (FPIs) invested Rs. 22,000 crore (US\$ 2.67 billion) in India during the first week of July 2023.
- The wheat procurement during RMS 2022-23 was estimated to be 262 lakh metric tonnes and the rice procured in KMS 2022-23 was 624.18 lakh metric tonnes (518 LMT for Kharif crop and 106.18 LMT for Rabi crop). Moreover, in the budget 2022-23, direct payment of (Maximum Selling Price) MSP was launched that estimated to be US\$ 31.74 billion (Rs. 2.37 trillion) in order to boost farmers' income.

## **GOVERNMENT INITIATIVES**

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

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



- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth Rs. 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on 11 July 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of bio capsule, an encapsulation technology for bio-fertilization on 30 June 2022.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- 'Mission Shakti' was applicable with effect from 1st April 2022, aimed at strengthening interventions for women's safety, security and empowerment.
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at US\$ 142.93 billion (Rs. 10.68 trillion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to Rs. 20 crore (US\$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, The Ministry of Social Justice & Empowerment launched the Scheme for Economic Empowerment of Denotified/Nomadic/SemiNomadic tribal communities (DNTs) (SEED) to provide basic facilities like good quality coaching, and health insurance. livelihoods initiative at a community level and financial assistance for the construction of houses.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 trillion (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production-linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production-linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2,500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.

- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production-linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 trillion (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced Rs. 2.65 trillion (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system and help fuel liquidity and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY23; it is expected to raise Rs. 4 trillion (US\$ 53.58 billion) in the next three years.
- By November 1, 2021, India and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.

- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025.

## ROAD AHEAD

In the second quarter of FY23, 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 FY23 (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 because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

Since India's resilient growth despite the global pandemic, India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023. With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In June 2023 (Provisional), CPI-C inflation was 4.81%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

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

## GLOBAL MANUFACTURING INDUSTRY

Manufacturing is the use of labor, goods and machines to produce goods for use or for sale. Manufacturing sector covers work performed in electronics industry, mechanical industry, energy industries, food and beverage industries, plastic industry, metalworking industries, transport and telecommunications industries, chemical or physical transformation of materials, substances, or components into new products. The process of assembling of components or parts of manufactured products also falls into the bracket of manufacturing unless the activity is appropriately put into construction. Construction on the other hand primarily covers works encompassing construction of buildings or assembling of infrastructure (for e.g., highways and utility systems). All those companies performing work in the preparation of sites for new construction and those involved in subdividing land for sale as building sites also are included in construction.

Manufacturing uses raw materials that are products of agriculture, bakery, fishing, forestry, mining and other products of manufacturing operations. Plants, factories or mills that use power-driven machines and materials-handling equipment, transform the raw materials into new finished products and components requiring further manufacturing.

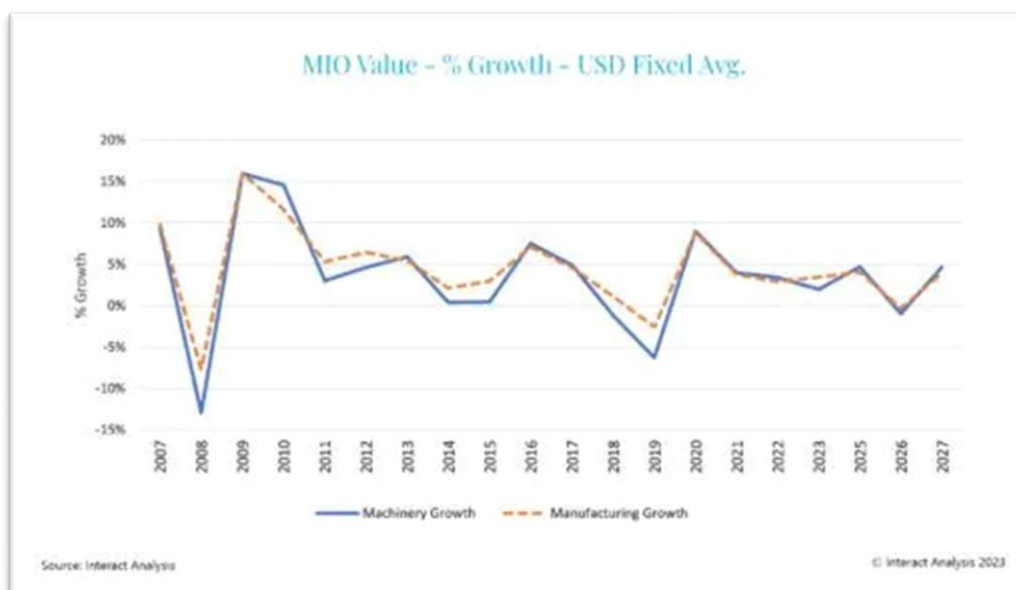
On the other hand construction market includes new work, maintenance or repairs. Production responsibilities are specified contractually with constructions owners (prime contractors) or contracts with subcontractors. Manufacturing industries are the chief wealth generating sectors of any economy. These industries adopt various technologies and methods widely known as manufacturing process management.

Manufacturing industries are important for an economy as they employ a huge share of the labor force and produce materials required by sectors of strategic importance such as national infrastructure and defense. Some of the industries we cover under manufacturing are aerospace, agriculture, defence, environmental services like air purification, glass, lighting, paper and forest products, machinery, metals (like aluminum, copper, exotic metals, iron and steel, non-ferrous metals and precious metals), mining, minerals, packaging and textiles.

The world manufacturing industries in a capitalist economy indulge in mass production and make them available as earning profits. Manufacturing in collectivist economy is guided by a state-run agency for making available the 93 manufactured goods depending on the requirement. Manufacturing industry in a modern economy operates under regulations framed by the Government.

The manufacturing industry accounts for a significant share of the industrial sector in developed countries. The final products can either serve as a finished good for sale to customers or as intermediate goods used in the production process.

Manufacturing industries are essential for an economy as they employ a huge share of the labor force and produce materials required by sectors of strategic importance such as national infrastructure and defense. However, not all manufacturing industries are beneficial to the nation as some of them generate negative externalities with huge social costs. The cost of letting such industries flourish may even exceed the benefits generated by them.



### Global manufacturing industry growth reached 3.8% in 2022

Updated research by Interact Analysis shows that Asia Pacific (APAC), Europe and the US have performed very differently in terms of manufacturing output growth during 2022. Growth in Europe has been slow throughout the year, while it has been strong in the US and steady in APAC. Machinery sectors have performed better than the manufacturing sector overall, and despite current challenges the next global downturn for manufacturing is not expected until late 2025 or early 2026.

Regionally, the US manufacturing industry has performed strongly, and the Americas growth rate hit 6.9% in 2022, compared to 3.3% for Asia Pacific and 2.6% for Europe. However, due to economic weaknesses across the regions, the Americas region is only forecast growth of 3.1% in 2023. Despite ongoing supply chain issues and inflationary pressures, it is expected that overall global manufacturing industry output growth reached 3.8% in 2022.

The UK and Germany are suffering a particularly bad economic period due to Germany’s reliance on Russian energy and the UK’s current political turbulence. Germany also strongly relies on other countries for its exports that are experiencing similar difficulties. Despite this, some sectors are still performing well in Germany, including forming machinery, where order intake grew by 7% in 2022 due to strong export demand. Overall, German growth was slow, sitting at around 0.2% for 2022, while in the UK, the situation is similarly gloomy. For the second year in three, manufacturing production has shrunk by around 0.5%, forcing the UK into a negative forecast for 2022. Many smaller regions had propped up Europe in terms of the region’s overall performance.

In contrast, the outlook for China remains positive, with 2023 to 2025 anticipated to be a period of growth and recovery for the country. As a result of further COVID-19 lockdowns, manufacturing output weakened, with growth contracting to 2.9% in 2022. The predicted recessions across the US and Europe are expected to slow growth again in 2026, falling to similar rates to those seen in 2020 when the COVID-19 pandemic struck. In China, the highest growth rates in 2022 were

seen in the chemicals and pharmaceuticals industry, which grew by 4.9%. Conversely, wood products registered the lowest growth rate, declining by -1.7%.

(Source: <https://www.controleng.com/articles/global-manufacturing-industry-growth-reached-3-8-in-2022/> , <https://www.marketresearchreports.com/industry-manufacturing> )

## **INDIAN MANUFACTURING INDUSTRY**

### **INTRODUCTION**

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

The machine tool industry was literally the nuts and bolts of the manufacturing industry in India. Today, technology has stimulated innovation with digital transformation a key aspect in gaining an edge in this highly competitive market.

Technology has today encouraged creativity, with digital transformation being a critical element in gaining an advantage in this increasingly competitive industry. The Indian manufacturing sector is steadily moving toward more automated and process-driven manufacturing, which is projected to improve efficiency and enhance productivity.

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

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

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

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

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

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

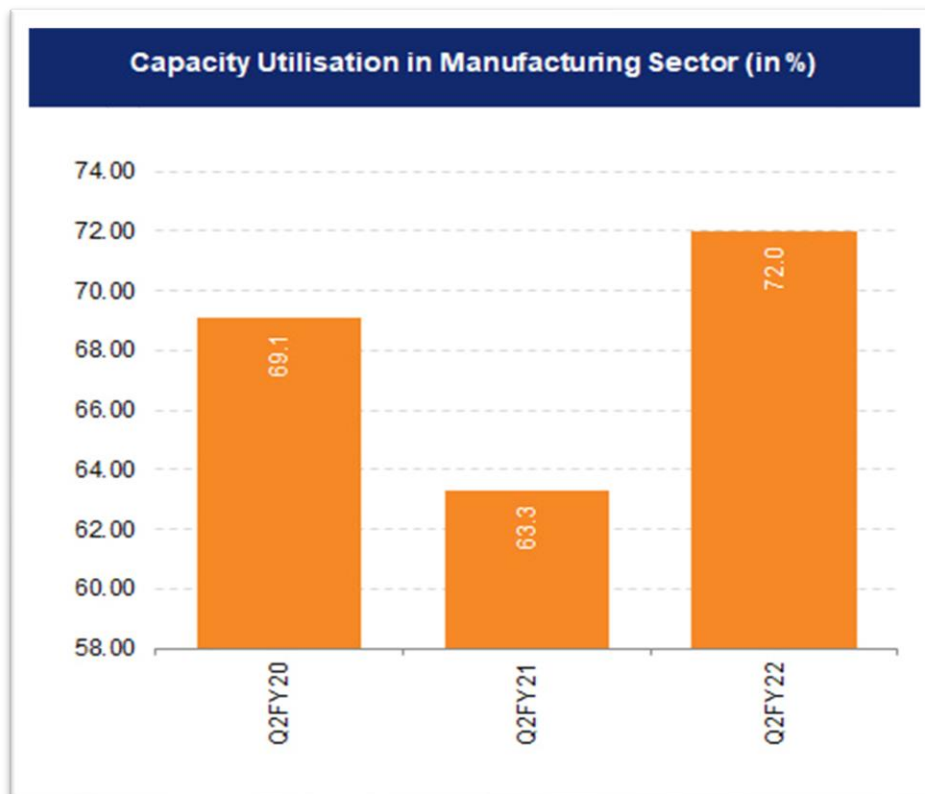
Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr Narendra Modi, launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. Government aims to create 100 million new jobs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

### **MARKET SIZE**

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

India's gross domestic product (GDP) at current prices stood at Rs. 51.23 lakh crore (US\$ 694.93 billion) in the first quarter of FY22, as per the provisional estimates of gross domestic product for the first quarter of 2021-22. The manufacturing GVA at current prices was estimated at US\$ 77.47 billion in the third quarter of FY22 and has contributed

around 16.3% to the nominal GVA of during the past ten years. India has potential to become a global manufacturing hub and by 2030, it can add more than US\$ 500 billion annually to the global economy. As per the economic survey reports, estimated employment in manufacturing sector in India was 5.7 crore in 2017-18, 6.12 crore in 2018-19 which was further increased to 6.24 crore in 2019-20. India's display panel market is estimated to grow from ~US\$ 7 billion in 2021 to US\$ 15 billion in 2025. As per the survey conducted by the Federation of Indian Chambers of Commerce and Industry (FICCI), capacity utilisation in India's manufacturing sector stood at 72.0% in the second quarter of FY22, indicating significant recovery in the sector.



## INVESTMENT

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

According to Department for Promotion of Industry and Internal Trade (DPIIT), India received a total foreign direct investment (FDI) inflow of US\$ 58.77 billion in FY22.

Between April 2000-September 2022:

- ❖ The automobile sector received FDI inflows of US\$ 33,774 million.
- ❖ The chemical manufacturing sector (excluding fertilisers) received FDI inflows worth US\$ 20,759 million.
- ❖ The drug and pharmaceutical manufacturing sector received FDI inflows worth US\$ 20,104 million.
- ❖ The Food Processing Industries received FDI inflows worth US\$ 11,514 million.

The combined index of eight core industries stood at 144.6 for Apr-Feb 2023 against 134.1 for Apr-Feb 2022.

The Index of Industrial (Production IIP) from April-February 2023 stood at 137.1.

In FY23, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 55.6.

In FY23 (until September 2022), export of top 10 major commodities (Engineering goods, Petroleum products, Gems and Jewellery, Organic and Inorganic chemicals, Drugs and Pharmaceuticals, Electronic goods, RMG of all Textiles, Cotton Yarn/Fabs./Madeups, Rice, Plastic and Linoleum) stood at US\$ 187.2 billion.

In FY23 (until February 2023), EPFO added 131 lakh net subscribers. The Employees' Provident Fund Organisation (EPFO) added 1,396,185 in February 2023.

In October 2021, information technology major Zoho, announced that it will invest Rs. 50–100 crore (US\$ 6.7-13.4 million) and form a new company, that will focus on research and development (R&D) in the manufacturing sector.

In August 2021, Wistron Corp. collaborated with India's Optiemus Electronics to manufacture products such as laptops and smartphones, giving a major boost to the 'Make in India' initiative and electronics manufacturing in the country.

In April 2021, Samsung started manufacturing mobile display panels at its Noida plant and plans to ramp up manufacturing IT display panels soon.

❖ Samsung Display Noida, which has invested Rs. 4,825 crore (US\$ 650.42 million) to move its mobile and IT display manufacturing plant from China to Uttar Pradesh, has received special incentives from the state government.

In April 2021, Bharti Enterprises Ltd. and Dixon Technologies (India) Ltd., formed a joint venture to take advantage of the government's PLI scheme for the manufacturing of telecom and networking products.

## GOVERNMENT INITIATIVES

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

- In the Union Budget 2023-24:
  - Startups incorporated within a time-period and meeting other conditions can deduct up to 100% of their profits; the end of this period has been extended from March 31, 2023 to March 31, 2024. In addition, the period within which losses of startups may be carried forward has been extended from seven to ten years.
  - As per the Union Budget 2023 – 23, the income tax rate for new co-operative societies engaged in manufacturing activities has been lowered from 22% to 15% (plus 10% surcharge).
  - The upper limit on turnover for MSMEs to be eligible for presumptive taxation has been raised from Rs. 2 crore (US\$ 2,43,044) to Rs. 3 crore (US\$ 3,64,528). The upper limit on gross receipts for professionals eligible for presumptive taxation has been raised from Rs. 50 lakh (US\$ 60,754) to Rs. 75 lakh (US\$ 91,132).
  - Expenditure on fertilizer subsidy is estimated at Rs. 1,75,100 crore (US\$ 21.2 billion) in 2023-24. This is a decrease of Rs. 50,120 crore (US\$ 6.09 billion) (22.3%) from the revised estimate of 2022-23. Fertilizer subsidy for 2022-23 was increased substantially in response to a sharp increase in international prices of raw materials used in the manufacturing of fertilizers.
  - The Centre will facilitate one crore farmers to adopt natural farming. For this, 10,000 Bio-Input Resource Centres will be set-up, creating a national-level distributed micro-fertilizer and pesticide manufacturing network.
  - To avoid cascading of taxes on blended compressed natural gas, excise duty on GST-paid compressed bio-gas contained in it has been exempted from excise duty. Customs duty exemption has been extended to import of capital goods and machinery required for manufacture of lithium-ion cells for batteries used in electric vehicles.
  - To further deepen domestic value addition in manufacture of mobile phones, the finance minister announced relief in customs duty on import of certain parts and inputs like camera lens. The concessional duty on lithium-ion cells for batteries will continue for another year. Basic customs duty on parts of open cells of TV panels has been reduced to 2.5%. The Budget also proposes changes in the basic customs duty to rectify inversion of duty structure and encourage manufacturing of electrical kitchen chimneys.
  - Basic customs duty on seeds used in the manufacture of Lab Grown Diamonds has also been reduced.
- Ministry of Defence has set a target of achieving a turnover of US\$ 25 million in aerospace and defence Manufacturing by 2025, which includes US\$ 5 billion exports. Till October 2022, a total of 595 Industrial Licences have been issued to 366 companies operating in Defence Sector.

- A new category of capital procurement ‘Buy {Indian-IDDM (Indigenously Designed, Developed and Manufactured)}’ has been introduced in Defence Procurement Procedure (DPP)-2016.
- By 2030, the Indian government expects the electronics manufacturing sector to be worth US\$ 300 billion.
- Initiatives like Make in India, Digital India and Startup India have given the much needed thrust to the Electronics System Design and Manufacturing (ESDM) sector in India.
- Moreover, the government’s endeavours such as Modified Special Incentive Scheme (M-SIPS), Electronics Manufacturing Clusters, Electronics Development Fund and National Policy on Electronics 2019 (NPE 2019) have been a huge success.
- The Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECES) has been notified with an aim to strengthen the value chain for the manufacturing of electronic products in India.
- In the Union Budget 2022-23:
  - Ministry of Defence has been allocated Rs. 525,166 crore (US\$ 67.66 billion)
  - The government allocated Rs. 2,403 crore (US\$ 315 million) for Promotion of Electronics and IT Hardware Manufacturing.
- The PLI for semiconductor manufacturing is set at Rs. 760 billion (US\$ 9.71 billion), with the goal of making India one of the world’s major producers of this crucial component.
- The government approved a PLI scheme for 16 plants for key starting materials (KSMs)/drug intermediates and active pharmaceutical ingredients (APIs). The establishment of these 16 plants would result in a total investment of Rs. 348.70 crore (US\$ 47.01 million) and generation of ~3,042 jobs. The commercial development of these plants is expected to begin by April 2023.
- In September 2022, the National Logistics Policy was launched by Prime Minister Mr. Narendra Modi which ensures quick last mile delivery, end transport-related challenges.
- In November 2021, the Experts' Advisory Committee (EAC) of the Department for Promotion of Industry and Internal Trade approved Rs. 3 crore (US\$ 403,293.54) for the Atal Incubation Centre (AIC), Pondicherry Engineering College Foundation (PECF), under the Start-up India Seed Fund scheme.
- In September 2021, Prime Minister Mr. Narendra Modi approved the production-linked incentive (PLI) scheme in the textiles sector—for man-made fibre (MMF) apparel, MMF fabrics and 10 segments/products of technical textiles—at an estimated outlay of Rs. 10,683 crore (US\$ 1.45 billion).
- India outlines a plan in August 2021 to reach its goal of US\$ 1 trillion in manufactured goods exports.
- In July 2021, the government launched six technology innovation platforms to develop technologies and thereby, boost the manufacturing sector in India to compete globally.
- To propagate Make in India, in July 2021, the Defence Ministry issued a tender of Rs. 50,000 crore (US\$ 6.7 billion) for building six conventional submarines under Project-75 India.
- In May 2021, the government approved a PLI scheme worth Rs. 18,000 crore (US\$ 2.47 billion) for production of advanced chemical cell (ACC) batteries; this is expected to attract investments worth Rs. 45,000 crore (US\$ 6.18 billion) in the country, and further boost capacity in core component technology and make India a clean energy global hub.
- In India, the market for grain-oriented electrical steel sheet manufacturing is witnessing high demand from power transformer producers, due to the rising demand for electric power and increasing adoption of renewable energy in the country.



- The Mega Investment Textiles Parks (MITRA) scheme to build world-class infrastructure will enable global industry champions to be created, benefiting from economies of scale and agglomeration. Seven Textile Parks will be established over three years.
- The government proposed to make significant investments in the construction of modern fishing harbours and fish landing centres, covering five major fishing harbours in Kochi, Chennai, Visakhapatnam, Paradip, and Petuaghat, along with a multipurpose Seaweed Park in Tamil Nadu. These initiatives are expected to improve exports from the textiles and marine sectors.
- The 'Operation Green' scheme of the Ministry of the Food Processing Industry, which was limited to onions, potatoes and tomatoes, has been expanded to 22 perishable products to encourage exports from the agricultural sector. This will facilitate infrastructure projects for horticulture products.

## ROAD AHEAD

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

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

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

## GLOBAL PACKAGING INDUSTRY

The Global Packaging Market size is expected to grow from USD 1.10 trillion in 2023 to USD 1.33 trillion by 2028, at a CAGR of 3.94% during the forecast period (2023-2028).

The global packaging business has experienced consistent growth over the last decade due to substrate choice changes, expansion of new markets, and changing ownership dynamics. Traditional packaging may continue to be replaced by flexible packaging, high-barrier films, and stand-up retort pouches may challenge rigid pack formats like metal tins and glass jars for a wide range of food products.

With the rising consumption of sweets and confectionery, several flexible plastic packaging providers are offering packaging solutions, specifically catering to this demand, and are further driving their sales and revenues. For instance, according to the US Census Bureau, confectionery manufacturing industry revenue in the United States is expected to reach USD 10.89 billion by FY 2023.

According to the Flexible Packaging Association, flexible packaging is mainly used for food, which accounts for more than 60% of the total market. Since it could incorporate new solutions for various packaging issues, the flexible packaging industry is experiencing robust growth. In addition, the Indian food and grocery market is the world's sixth-largest, according to IBEF, with retail accounting for 70% of sales. The Indian food processing industry, which contributes to 32% of the country's overall food market, ranks fifth in production, consumption, and export and is one of the country's most important industries.

The sustainability trends, including recycling and using bio-degradable forms of PET, are expected to rise over the forecast period. In some regards, it will always face sustainability issues due to the nature of its production. However, the recycling streams and development will help neutralize such sustainability issues. For instance, the Coca-Cola European partners pledged to collect 100% of the packaging and use 50% recycled plastic in plastic PET bottles in Western Europe by 2025. PepsiCo aims to use 50% of recycled plastic in its bottles across the European region by 2030, with an interim

target of around 45% by 2025. Also, various large food manufacturers are under pressure from campaigners and consumers and are currently on a mission to rethink their plastic packaging and move towards a circular economy. For instance, Nestle and Mondelez recently signed the European Plastics Pact. This initiative is committed to making 100% of packaging recyclable or reusable and reducing virgin plastic usage by 2025.

Various companies focus on product innovations to hold a significant position in the studied market. For instance, in February 2021, Constantia Flexibles announced its new product, Perpetua, a recyclable, high-barrier, polymeric mono-material packaging solution for pharmaceutical products. According to the company, the solution has a wide range of pharmaceutical packaging applications and is now available worldwide.

Various vendors have been focusing on expanding their market presence by constructing new production facilities for paper packaging. For instance, in December 2021, Promateris, a Romanian industrial packaging company, announced entering the paper packaging area in 2022 by building a production facility in the country. This project will be completed in 2023. Furthermore, in 2022, the firm expects to begin producing biodegradable and compostable raw materials based on corn starch, making it the first company to do so in Eastern Europe.

However, on the other hand, the overall usage of non-recyclable, non-biodegradable plastic packaging solutions is expanding, resulting in increased carbon emissions in the environment. This might be a factor that could restrain the market growth. As a result, numerous large firms such as Amazon, Google, and Tetrapak, among others, are aiming toward net-zero carbon emissions, which is predicted to be their capital expenditure.

During COVID-19, contactless delivery has also emerged as a new trend. Pioneers in sustainable packaging could adjust to these new standards, such as Garçon Wines, whose frictionless supply of letterbox- and climate-friendly flat wine bottles has witnessed a great demand. In addition, the rapid production of COVID-19 vaccines has also increased the need for glass containers or vials for storage purposes. By March 2021, Schott AG, a prominent German glass company, had produced enough vials for one billion COVID-19 vaccine doses, and it is on schedule to produce over two billion doses. According to the company, their borosilicate glass vials are used in roughly 90% of licensed vaccinations because they are resistant to shocks and temperature extremes.

(Source: <https://www.mordorintelligence.com/industry-reports/global-packaging-market/market-size> )

## INDIAN PACKAGING INDUSTRY

The paper and packaging sector in India is growing rapidly and has significant potential for future expansion. The industry was valued at \$50.5 billion in 2019 and is anticipated to reach \$204.81 billion by 2025, registering a CAGR of 26.7% from 2020 to 2025. The growth in the sector is being driven by a surge in e-commerce, food processing, pharmaceuticals, FMCG, manufacturing industry and healthcare sector. Additionally, numerous government initiatives including 'Make in India' had positive impact on the packaging industry. The paper and packaging industry is currently the fifth largest sector in the Indian economy and has the potential to achieve pricing levels that are about 40% cheaper compared to European regions.

The Indian packaging sector has distinguished itself with its exports of flattened cans, printed sheets and components, crown cork, lug caps, plastic film laminates, craft paper, paper board and packaging machinery. The packaging segment with the fastest growth include laminates and flexible packaging, particularly PET and weaved sacks.

India uses paper as a major source of packaging. The paper industry accounts for 5% of global production. Demand for paper continues to rise for the packaging of FMCG products and ready-to-eat food. Packaging-grade paper accounts for 55% of the main types of paper produced domestically in the paper and paperboard industry.

### Growing Exports of Packaging Material

India is emerging as a key exporter of packaging materials in the global market. The export of packaging materials from India grew at a CAGR of 9.9% to US\$ 1,119 million in 2021-22 from US\$ 844 million in 2018-19. US remains the major export destination for the packaging industry, followed by the UK, the UAE, Netherlands, and Germany.

### Sectors of Application:

**The packaging has applications in multiple sectors, two of which key sectors are:**

**Pharmaceutical:** India boasts of one of the world's largest pharmaceutical markets and therefore produces a huge quantity of plastic pharmaceutical packaging to cater to the needs of the fast-growing sector. In the pharmaceutical

industry, blister packs are one of the most popular types of packaging. Blister packs are used for tablets, ampoules, syringes and vials, and also used for individual packaging for medication doses while maintaining the integrity of other doses. Primary, secondary and tertiary packaging are the three tiers of packaging typically used in the pharmaceutical sector, and the type of application depends on the drug. The material that initially covers and holds the product is referred to as the primary packaging system. This includes all the package elements and sub-elements that come into contact with the product or that may have an impact on its duration of life, such as ampoules and vials, prefilled syringes, IV containers and blister packs. Key players in the pharmaceutical packaging include West Pharmaceuticals, Huhtamaki PPL Ltd and SGD Pharma India Ltd.

**Food and Beverage Packaging:** India has seen a rise in the paper and packaging of food and beverage with an increase in demand, along with new companies in the food and beverage space. The entry and meteoric rise of food delivery service companies such as Zomato and Swiggy have led to growth in the consumption of packaging used for food and beverage. Zomato had even introduced tamper-proof packaging to keep the food safe and fresh. Food packaging has seen significant innovations that focus on highlighting the brand while maintaining the quality and standard of the food product contained within. There is intense competition among local manufacturers to produce cutting-edge products and stand up to MNCs that have a dedicated R&D department to test and eventually deploy the latest technologies. The major players in this space are Evirocor, Tetra Pak and Vinayak Ultra Flex.

### **Government Initiative**

The government has launched the National Packaging initiative which focuses on the following measures to promote the sector:

- Set up guidelines and certain requirements for design and material of packaging used
- Promote the process of moving in bulk quantities
- Focus on promotion of centralised industrial activity by encouraging application of necessary and sophisticated infrastructure such as specialised logistic parks with appropriate facilities as well as packaging labs to work on designs and carry out tests
- Encourage processes to reduce packaging waste by establishing material recovery facilities (MRFs)
- Support domestic business to manufacture sophisticated packaging materials
- Develop training facilities and certified programmes of the highest order to maintain availability of skilled labour.

### **Road Ahead**

The Indian packaging sector is diverse and caters to a broad sector of industries and products. The government, through its positive promotion of the Make in India policy, has set the packaging sector to grow rapidly due to companies setting up their manufacturing units in the country and using these domestic facilities as a base to export to other countries. The government has implemented a strategy to lower tax rates for new manufacturing companies in order to turn India into a global manufacturing hub. Furthermore, given the need for domestic firms to compete with MNCs, the government is planning to further level the sector among players by launching various initiatives with the aim of promoting the development of packaging, along with technological advancements.

(Source: <https://www.ibef.org/blogs/india-s-paper-and-packaging-industry> )

## **PET BOTTLE MARKET**

### **AN OVERVIEW**

PET bottles are more durable, transparent, lightweight, non-reactive, cost-effective and thermally stable. Moreover, they are environment-friendly and can be recycled repeatedly which further reduces their manufacturing cost. Primarily used in the packaging of drinking water and beverages, PET bottles are also gaining prominence as a packaging solution for salad dressings, household cleaners, medicines, dish detergents and mouthwashes.

Pet Bottles are among the most important and popular packaging types worldwide. Change in consumer preference from glass to plastic bottles is due to the numerous offerings of PET bottles. Lightweight, shatter resistance, and good

compatibility with module mode technology are among the factors of PET bottles that draw the attention of various end-use industries.

Today, PET bottles are widely used for packaging of food, beverages, cosmetics, and personal care products, pharmaceuticals, chemicals, nutritional supplements, and other consumer goods. PET bottles are free from BPA and meet many national as well as international legislation.

PET bottles can be filled via aseptic filling, cold filling, or hot filling which ensure the safety and improve the shelf life of products. Thus, the global outlook for the PET bottles market is expected to remain positive during the forecast period.

### **PET BOTTLE MARKET DYNAMICS**

The advancement in the packaging industry and the introduction of customized PET bottles in current years have led to an increase in the demand for PET bottles worldwide. An exclusive bottle design, unique properties, versatile shapes, adjustable volume, and thermal stability combine to make PET bottles stand out on the shelves and appear as a key choice for various end-use industries.

These factors are expected to drive the growth of the global PET bottles market during the forecast period. The introduction of transparent PET bottles for various food and beverages has proven to increase the sales of products as customers get a clear insight into the products.

Hence, the market share for PET bottles is especially growing in beverage packaging. The rising popularity of carbonated drinks across the globe and the extensive use of PET bottles for their packaging are expected to propel the growth of the global PET bottles market during the forecast period.

The printing and lamination features on PET bottles offer an excellent opportunity for manufacturers and brand owners to promote their brand value. Also, the highly recyclable nature of PET bottles as compared to other plastic bottles is expected to create a positive outlook for the growth of the global PET bottles market during the forecast period.

(Source: <https://www.futuremarketinsights.com/reports/pet-bottles-market> )

### **GLOBAL PET BOTTLE INDUSTRY**

PET is made when ethylene glycol and terephthalic acid are polymerized, and it is widely regarded as a material that is 100% recyclable, non-toxic, safe, lightweight, strong, and flexible. It is utilized in many different applications, including automotive, construction, consumer goods, sheets and films, food packaging, and beverage packaging. One of the key factors propelling the expansion of the global market is the rise in demand for PET containers, particularly from the food and beverage industry, and the increase in demand for frozen and processed foods.

Data Bridge Market Research analyses that the polyethylene terephthalate (PET) bottle market, valued at USD 95,400 million in 2022, will reach USD 132,583.69 million by 2030, growing at a CAGR of 4.20% during the forecast period of 2023 to 2030. In addition to the insights on market scenarios such as market value, growth rate, segmentation, geographical coverage, and major players, the market reports curated by the Data Bridge Market Research also include in-depth expert analysis, geographically represented company-wise production and capacity, network layouts of distributors and partners, detailed and updated price trend analysis and deficit analysis of supply chain and demand.

### **Polyethylene Terephthalate (PET) Bottle Market Scope and Segmentation**

REPORT METRIC	DETAILS
Forecast Period	2023 to 2030
Base Year	2022
Historic Years	2021 (Customizable to 2015 - 2020)
Quantitative Units	Revenue in USD Million, Volumes in Units, Pricing in USD
Segments Covered	Type (Virgin, Recycled), Capacity (High, Medium, Low), Distribution Channel (Business to Business, Retail), Color (Transparent, Colored), Technology (Stretch Blow Molding, Injection Molding, Extrusion Blow Molding, Thermoforming, Other), Product type (Carbonated food drink, Bottled water, Other drinks, Sheets and films Food Non-food), Volume (Up to 500 ml, 500 ml to 1000 ml, 1000 ml to 2000 ml, More than 2000 ml), Neck Type (ROPP/BPV, PCO/BPF, ALASKA/BERICAP/OBRIST), Application (Food and beverages, Consumer Goods, Automotive, Textile, Photovoltaic Modules, Thermoplastic resin, Packaging, Film, Sheet and straps, Cosmetic Bottle, Household products, Electronics, Others), End- Users (foods and Beverages, Electrical and Electronics, Automotive industry, healthcare, consumer goods, construction, and other)
Countries Covered	U.S., Canada, Mexico, Brazil, Argentina, Rest of South America, Germany, France, Italy, U.K., Belgium, Spain, Russia, Turkey, Netherlands, Switzerland, Rest of Europe, Japan, China, India, South Korea, Australia and New Zealand, Singapore, Malaysia, Thailand, Indonesia, Philippines, Rest of Asia-Pacific, United Arab Emirate, Saudi Arabia, Egypt, Israel, South Africa, Rest of Middle East and Africa
Market Players Covered	Amcor plc (Australia), DuPont (U.S.), Crown Paper Mill LLC (U.A.E.), Westrock Company, (U.S.), Berry Global Inc.(U.S.), ALPLA (Austria), Cospack America Corp (U.S.), BERICAP (Germany), Graham Packaging Company (U.S.), Ontario Plastic Container Producers Ltd. (Canada), Alpack Ltd (Mexico), PLASTIPAK HOLDINGS, INC (U.S.), RESILUX NV (Belgium), Silgan Plastics (U.S.), Retal Industries LTD. (Cyprus), Esterform Ltd (U.K.), GTX HANEX Plastic Sp. z o. o (Poland)
Market Opportunities	Technology advancements for producing PET bottles that are lightweight could accelerate market growth Growing Environmental friendly packaging solution it can created a surge in market to grow

## Recent Developments

- In 2022, Alpek recently finalized a deal to purchase OCTAL Holding SAOC (hereinafter "Octal"). The acquisition will strengthen Alpek's global position, and its value-added production options for Polyethylene Terephthalate (PET) sheets will increase.
- In 2022, Indorama Ventures proposed purchasing NN, a Vietnamese PET converter. Right now, the company is in process of acquiring NN shares. The planned acquisition is meant to help IVL solidify its position in the packaging market in high-growth regions of Asia-Pacific.
- In 2021, A subsidiary of Indorama Venture Public Company Limited, Indorama Synthetics Limited, has increased its capacity to produce polyethylene terephthalate. The company has invested about USD 82 million to upgrade the facility's equipment and increase capacity. To better serve customers across the county, the company will also include balanced equipment and various specialty yarns in this expansion.
- In 2020, Poland's Maurizio Peeuzzo Polowat, a facility for recycling polyethylene terephthalate, was purchased by Indorama Ventures Public Company Limited. Two strategically located assets in Leczyga and Bielsko-Biala make up the acquisition. These manufacturing facilities have a combined capacity of 23,000 tonnes of rPET FLAKES and 4000 tonnes of rPET pellets. With the help of this agreement, both businesses intend to increase their recycling capacity to 750000 tonnes by 2025.

## Global Polyethylene Terephthalate (PET) Bottle Market Scope

The polyethylene terephthalate (pet) bottle market is segmented on the basis of type, capacity, distribution channel, color, technology, product type, volume, neck type, application, end- users. The growth amongst these segments will help you analyze meagre growth segments in the industries and provide the users with a valuable market overview and market insights to help them make strategic decisions for identifying core market applications.

<p><b>Type</b></p> <ul style="list-style-type: none"> <li>• Virgin</li> <li>• Blister Forming</li> <li>• Food Packaging</li> <li>• Automotive</li> <li>• Others</li> <li>• Recycled</li> <li>• Fiber</li> <li>• Sheet and Film</li> <li>• Strapping</li> <li>• Engineered Resin</li> <li>• Food and Beverage bottles</li> <li>• Non-Food Bottles</li> <li>• Others</li> </ul>	<p><b>Application</b></p> <ul style="list-style-type: none"> <li>• Food and beverages</li> <li>• Consumer Goods</li> <li>• Automotive</li> <li>• Textile</li> <li>• Photovoltaic Modules</li> <li>• Thermoplastic resin</li> <li>• Packaging</li> <li>• Rigid Packaging</li> <li>• Flexible Packaging</li> <li>• Film</li> <li>• Sheet and straps</li> <li>• Cosmetic Bottle</li> <li>• House hold products</li> <li>• Electronics</li> <li>• Others</li> </ul>
<p><b>Technology</b></p> <ul style="list-style-type: none"> <li>• Stretch Blow Molding</li> <li>• Injection Molding</li> <li>• Extrusion Blow Molding</li> <li>• Thermoforming</li> <li>• Other</li> </ul>	<p><b>Distribution Channel</b></p> <ul style="list-style-type: none"> <li>• Business to Business</li> <li>• Retail</li> <li>• Supermarkets and hypermarkets</li> <li>• Online</li> <li>• Convenience store</li> <li>• Other</li> </ul>
<p><b>Neck Type</b></p> <ul style="list-style-type: none"> <li>• ROPP/BPV</li> <li>• PCO/BPF</li> <li>• ALASKA/BERICAP/OBRIST</li> </ul>	<p><b>Capacity</b></p> <ul style="list-style-type: none"> <li>• High</li> <li>• Medium</li> <li>• Low</li> </ul>
<p><b>Volume</b></p> <ul style="list-style-type: none"> <li>• Up to 500 ml</li> <li>• 500 ml to 1000 ml</li> <li>• 1000 ml to 2000 m</li> <li>• More than 2000 ml</li> </ul>	<p><b>Color</b></p> <ul style="list-style-type: none"> <li>• Transparent</li> <li>• Colored</li> </ul>
<p><b>Product type</b></p> <ul style="list-style-type: none"> <li>(i) Carbonated food drink</li> <li>(ii) Bottled water</li> <li>(iii) Other drinks</li> <li>(iv) Sheets and films</li> <li>(v) Food</li> <li>(vi) Non food</li> </ul>	<p><b>End- Users</b></p> <ul style="list-style-type: none"> <li>• Food and Beverage</li> <li>• Packaged Water</li> <li>• Carbonated Soft Drinks</li> <li>• Food Bottles and Jars</li> <li>• Fruit Juice</li> <li>• Beer</li> <li>• Electrical and Electronics</li> <li>• Automotive</li> <li>• Healthcare</li> <li>• Consumer Goods</li> <li>• Construction</li> <li>• Other</li> </ul>

**Polyethylene Terephthalate (PET) Bottle Regional Analysis/Insights**

The polyethylene terephthalate (pet) bottle market is analysed and market size insights and trends are provided by country, type, capacity, distribution channel, color, technology, product type, volume, neck type, application, end- users as referenced above.



The countries covered in the polyethylene terephthalate (pet) bottle market report are U.S., Canada, Mexico, Brazil, Argentina, Rest of South America, Germany, France, Italy, U.K., Belgium, Spain, Russia, Turkey, Netherlands, Switzerland, Rest of Europe, Japan, China, India, South Korea, Australia and New Zealand, Singapore, Malaysia, Thailand, Indonesia, Philippines, Rest of Asia-Pacific, United Arab Emirate, Saudi Arabia, Egypt, Israel, South Africa, Rest of Middle East and Africa

Asia-Pacific dominates the market and will continue to flourish its trend of dominance during the forecast period. The significant factors attributable to the region's dominance are due to increasing urbanization and rising disposable income. Additionally, using engineering plastic products in the packaging sector (PET containers, bottles, and so on) has certain advantages over conventional packaging plastics. The demand from industries such as food and beverage, consumer goods, and others for packing materials is increasing in China, owing to the increasing exports and domestic consumption.

North America will undergo the highest growth rate during the forecast period due to the people's changing lifestyles. The growing demand for high-quality packaged products in the region will also enhance the market.

The country section of the report also provides individual market impacting factors and changes in regulation in the market domestically that impacts the current and future trends of the market. Data points such as down-stream and upstream value chain analysis, technical trends and porter's five forces analysis, case studies are some of the pointers used to forecast the market scenario for individual countries. Also, the presence and availability of global brands and their challenges faced due to large or scarce competition from local and domestic brands, impact of domestic tariffs and trade routes are considered while providing forecast analysis of the country data.

(Source: <https://www.databridgemarketresearch.com/reports/global-pet-bottle-market>)

## **INDIAN PET BOTTLE INDUSTRY**

The India PET packaging market size reached US\$ 1.4 Billion in 2022. Looking forward, IMARC Group expects the market to reach US\$ 1.8 Billion by 2028, exhibiting a growth rate (CAGR) of 4.87% during 2023-2028.

Polyethylene terephthalate, or PET, is a polyester thermoplastic elastomer widely used for packaging applications. It becomes flexible on heating and can be easily molded into a wide variety of shapes. It is substantially more cost-effective than other packaging materials, such as glass, aluminum and copper. PET packaging is lightweight, which reduces transportation costs and offers an economical packaging solution to end users. It also provides high dimensional stability and resistance to moisture, solvents, and alcohols.

The emerging trend of on-the-go food consumption in India has increased the demand for single-serve and small-sized products packed in materials like PET and metal cans. Flexible packaging materials like PET remain popular across the country as consumers are price-conscious and seek products that offer value for money. Besides the food and beverage industry, PET packaging is also used for packaging beauty, personal care, and pet food products. The growing sales of these products are catalyzing the growth of the market. Furthermore, the increasing demand for customized and different sized packs for brand differentiation is also positively impacting the market growth.

### **Key Market Segmentation:**

#### ***Breakup by Packaging Type:***

- Rigid Packaging
- Flexible Packaging

#### ***Breakup by Form:***

- Amorphous PET
- Crystalline PET

#### ***Breakup by Pack Type:***

- Bottles and Jars

- Bags and Pouches
- Trays
- Lids/Caps and Closures
- Others

***Breakup by Filling Technology:***

- Hot Fill
- Cold Fill
- Aseptic Fill
- Others

(**Source:** <https://www.imarcgroup.com/india-pet-packaging-market#:~:text=The%20India%20PET%20packaging%20market,4.87%25%20during%202023%2D2028> )



## 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 should read the chapter titled “Forward Looking Statements” beginning on page 18 of this Draft 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 ended March 31 of that year.

All financial information included herein is based on our “Restated Financial Statements” beginning on page 177 of this Prospectus. The following information qualifies in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Red Herring Prospectus, including the information contained in the section titled “Risk Factors”, “Industry Overview”, “Management Discussion and Analysis of Financial Condition and Results of Operations” and “Restated Financial Statements” beginning on page 27, 100, 183 and 177 respectively of this Draft Red Herring Prospectus.

Unless the context otherwise requires, in relation to business operations, in this chapter of this Draft Red Herring Prospectus, all references to “We”, “Us”, “Our” and “Our Company” are to Swashtik Plascon Limited as the case may be.

### OVERVIEW

Our company is mainly engaged in the business of manufacturing of a wide range of PET Bottles and PET Preforms which includes PET Bottles for Pharmaceutical application, Liquor application, FMCG Packaging, House Hold applications, Dish wash liquid packaging, Repellent dispenser etc and PET Preforms for Soft Drinks bottles, Packaged Drinking Water bottle and Juice bottles.

Our company was originally formed on June 30, 2006 as a Partnership Firm under the name and style of “Swashtik Caps”. Subsequently, our company was converted into Private Limited Company vide certificate of incorporation dated May 05, 2011 bearing corporate identity no. U25209PY2011PTC002578 issued by the Registrar of Companies, Pondicherry. Subsequently, the company name was changed to Swashtik Plascon Private Limited pursuant to issuance of Fresh Certificate of Incorporation dated June 13, 2023 by Registrar of Companies, Pondicherry. Subsequently our Company was converted into Public Limited Company and name of company was changed from “Swashtik Plascon Private Limited” to “Swashtik Plascon Limited” vide fresh certificate of incorporation dated July 17, 2023 issued by the Registrar of Companies, Pondicherry.

**Our Company has a manufacturing facility, warehouses situated at:**

Particulars	Address
Registered Office and Manufacturing Unit	A75 - A76, PIPDIC Electronic Park, Thirubuvanai, Mannadipet Commune, Puducherry - 605107, Pondicherry, India.
Warehouse	Shed - B, RS. No. 143/1 And 40/13 at Erivaykal Road, Tiruvandarkoil Village, Mannadipet Commune Panchayat, Puducherry - 605102, Pondicherry, India.
Sales Depot	Tirunelveli No. 5/114 - A3, Sankaran Koil Road, Ramaiyanpatti, Tirunelveli - 627 358, Tamil Nadu.

Our Company manufactures Bottles and Preforms in Continuous Injection Stretch Moulding Machines with advanced Technology using 100% virgin food grade quality material. Production takes place in an enclosed dust proof environment with quality testing at regular intervals. The products are packed in CFC trays with POF shrink film & then carefully packed in corrugated boxes. Overall colour migration test, heavy metal testing and analysis is done to ensure we give best quality finished products to our Valued Customers.

Our company has a well-equipped quality control lab with in house testing equipment’s to test the capacity and quality of our products. Our finished products undergo strict quality check to ensure that they are of required quality as per the standards set. Our in-house testing team regulates and monitors the quality, safety and packaging of Bottles and Preforms.

There are also inhouse developed quality check procedures and the internationally standardized top-level quality check parameters in addition to the required standards. This allows us to guarantee that our customers get products of the highest quality. Our production plants are certified according to the ISO 9001 Quality management system. We also

follow Food safety management system, Occupational health and safety protection management system, Energy management system for primary packaging materials for medicinal products.

As we have extensive experience with various types of technologies and materials, we offer our customers complete packaging solutions of containers and closures. We also manufacture Customized PET preforms & Bottles for our customers.

Our dynamic and Responsible Quality Head has multiple certifications and vast knowledge of process improvement ranging from Lean, Continuous Improvement, and Six Sigma. He is well versed in Quality systems and auditing, adept at providing guidance, leadership and support in the quality of products and operations. He ensures that all activities conform to applicable norms as well as follow company standards and requirements. He always makes sure operations adhere to goals, objectives and mission of the company. Our lab is equipped with all testing facilities required to ensure that all products meet all the standards and specifications.

Our Chairman and Managing Director, Mr. Parasmal Mahendra Kumar and Mr. Mahendrakumar Gautam has 15 and 4 years of experience in this industry thus vast experience of the Promoter has been instrumental in determining the vision and growth strategies for our Company. We further believe that our market position has been achieved by adherence to the vision of our Promoters and senior management team and their experience in the industry in which our Company operates.

Our Group comprises of 3 more companies namely M/s Swashtik Preforms Pvt Ltd. (100% subsidiary), M/s Swashtik Industries and M/s Swashtik Polimers (Holding 99% partnership). We manufacture wide range of PET preforms for packaged Mineral Water Segment, Alcoholic & Non-Alcoholic Beverages, Jars, Edible Oil Segment, Pharmaceutical Bottles, Liquor Bottles, Pril Dish Washer Bottles, PET closures & we also are Blowing PET bottles based on customer requirements.

For the year ended March 31, 2023, our Company's Total Income and Restated Profit after tax were Rs. 4,589.10 Lakhs and Rs. 302.19 Lakhs. For the year ended March 31, 2022, our Company's Total Income and Restated Profit after tax were Rs. 4,986.51 Lakhs and Rs. 13.01 Lakhs, compared to our Company's Total Income and Restated Profit after tax were Rs. 3,533.97 Lakhs and Rs. 6.91 Lakhs respectively, over previous year ended i.e., March 31, 2021.

#### Key Performance Indicators of our Company:

##### On Standalone Basis

(Rs in lakhs)

Key Financial Performance*	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations <sup>(1)</sup>	4561.81	4947.29	3389.66
EBITDA <sup>(2)</sup>	619.84	289.27	294.32
EBITDA Margin <sup>(3)</sup>	13.58%	5.84%	8.68%
PAT	302.19	13.01	6.91
PAT Margin <sup>(4)</sup>	6.62%	0.26%	0.20%

**Notes:** \*As certified by M/s. PSDY & Associates, Chartered Accountants through their certificate dated September 27, 2023

(1) Revenue from operation means revenue from sales.

(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

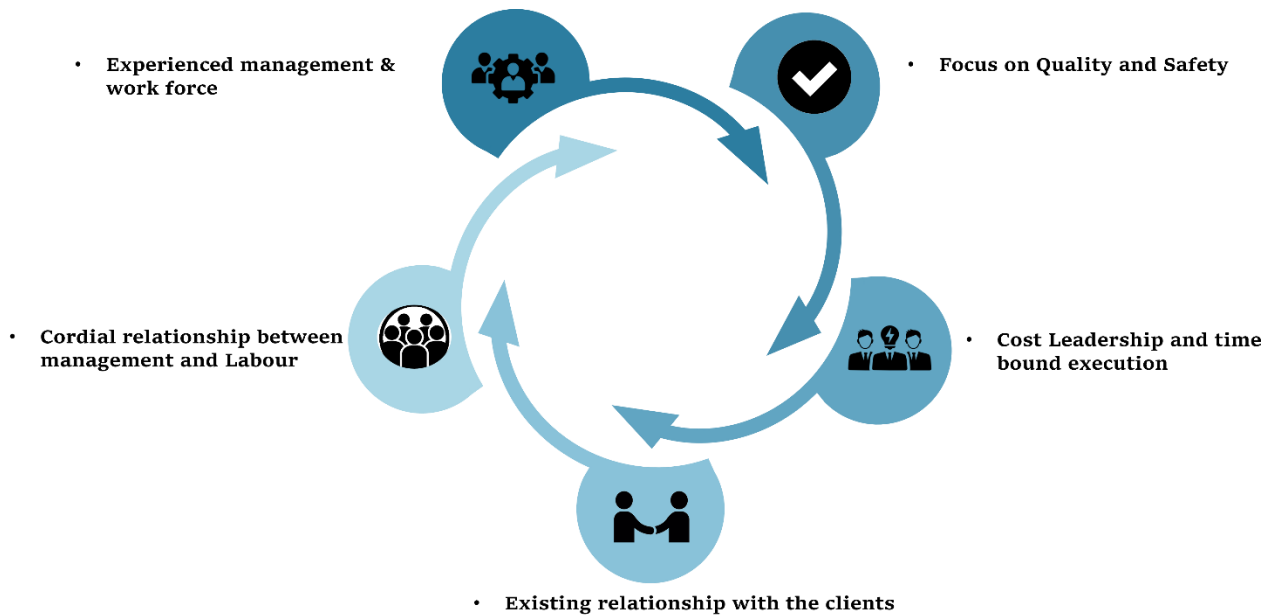
## OUR STRENGTHS

### (a) Experienced management & work force

Our Company is managed by a team of experienced and seasoned professional staff with experience in different aspects of plastic industry. They have in-depth knowledge of production, marketing and finance. We believe that our management team has substantially contributed to the growth of our business operations in the past couple of years. Our management has rich & considerable experience in manufacturing of pet preforms and Closures. The faith of the management in the workforce and their dedicated performance has enabled us to become a niche player in the market. We believe that the experience of our senior management team has resulted into streamlined processing, improved product quality and increased profitability which give us a competitive edge over our competitors.

## (b) Focus on Quality and Safety

Our Company believes in qualitative manufacturing and adheres to various qualitative standards and parameters associated with the product. Our Company manufactures products in Continuous Injection Stretch Blow Moulding Machines & we use only 100% virgin food grade RM to produce good quality FG. Production takes place in an enclosed dust proof environment with testing at regular time periods for conforming to the quality. The final products are kept in trays & shrink wrapped with POF film & then properly packed in corrugated boxes with proper bursting strength inside plastic liners. Our products undergo strict quality check at various levels of production to ensure that any quality defects or product errors are rectified on real time basis. We also have an in-house laboratory for conducting various tests. Overall colour migration test, heavy metal test and analysis is done to ensure quality product and our in-house testing laboratory regulates and monitors the same to ensure the requisite quality and strength of boxes so that they can safely carry products till its end use.



## (c) Cost Leadership and time bound execution

Our Company promotes cost leadership and timely execution of client's orders. The timely fulfilment of the orders is a prerequisite in our industry and the cost leadership entails cost efficient manufacturing processes. Our management has carried out various steps for the purpose which involves identification of quality raw materials, harmonious relations with workforce, aligning the manufacturing process, manufacture of demand-based products so that we don't have any sales difficulties & we don't carry huge inventory, the use of latest and highly efficient manufacturing facilities which enhanced our ability to meet large and varied orders on a timely basis. Our Company has also sustained good relations with our vendors and consequently, we enjoy the benefit of timely supply of the raw materials which has been one of the major reasons why we have been able to achieve timely fulfilment of client's orders. Our Company constantly endeavours to implement an efficient procurement policy for inputs required for manufacturing so as to ensure cost efficiency in procurement which in turn results in cost effective manufacturing.

## (d) Existing relationship with the clients

We focus on building sustained and long-term client relationship with our clients and constantly try to cater customer needs with products in demand. Since we are mainly engaged in B2B business model, our existing clients provide us mandate for continuous services. We trust that our existing relationship and goodwill serves as a competitive advantage in gaining new clients and increasing our business with existing clients.

## (e) Cordial relationship between management and labour

Over the years our management has successfully maintained harmonious relations with our workforce. Our management has been able to match the goals and objectives of the company with the goals and expectations of the workforce which enabled the company to achieve its production targets and desired quality of products.

## OUR STRATEGIES



### (a) Invest in infrastructure and technology

Our Company believes in making investments for continuously achieving higher levels of excellence in our products to cater to the diverse specifications of our clients. We have invested in upgrading our machinery and equipment's with modern technology. We seek to continue to work towards the up gradation and modernization of our infrastructure and technology in future as well for sustaining our growth in the subsequent periods.

### (b) Expanding our customer base

Our present customer base comprises of Indian companies who are operating in plastic industry. We intend to grow our business continuously by adding new customers. Opportunities for growth in plastic industries have increased and thus we aim to tap these markets for further marketing & supply.

### (c) Improving functional efficiency

Our Company intends to improve operating efficiencies to achieve cost reductions to have a competitive edge over the peers. We believe that this can be done through continuous process improvement and technology development. We continue to invest in operational excellence throughout the organization. We ensure a strong quality commitment by our employees.

### (d) Enhancing existing products base and product quality

We believe high quality and safety complying products are of much importance for customer retention and repeat – order flow. We intend to have close interaction with our customers to strengthen our relationships with them and enabling us to understand the market perception and demand for our products.

### (e) Expansion of Geographical Markets

Our focus is on utilizing our core strengths for expanding our operations in existing as well as new markets. Our Company meticulously engineered with a cutting-edge technology and aptly supported by an efficient team of trained personnel who marketed the product in unexplored markets, had soon positioned itself as one of the popular brands in Indian market and paved the way for acquiring bigger share of this competitive market which hitherto was not captivated & was dominated by unorganized companies.

The increase in demand of good quality pet bottle caps and closures of varied shapes and sizes and customized as per the demands of the customers compelled us to explore the market and create demand. A brief description of the business strategies employed by us is as under:

## SWOT ANALYSIS OF OUR COMPANY

### STRENGTHS

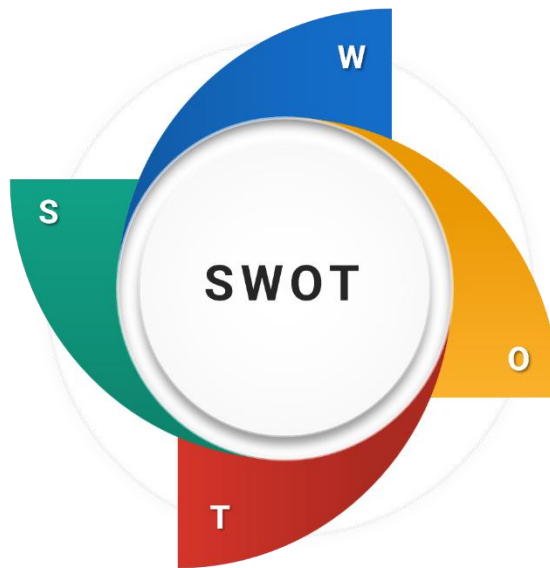


- **increased efficiency & decreased cost**
- **Positive interaction**
- **Extensive industry knowledge - Commercial & Technical.**
- **Experienced Management**
- **success of other Group Companies**

### THREATS



- **Competitive Markets**
- **No entry barriers**
- **Any modification in governmental policy**



### WEAKNESSES

- **insufficient global market penetration**
- **Fluctuating Revenues**



### OPPORTUNITIES

- **Availability of raw materials at cheaper rate**
- **Exploring new geographies**
- **Expanding consumer demand**



## OUR PRODUCT RANGE

*Our Company is currently producing variety of Pet bottles & Pet Preforms, the details of which are as under:*

	<p><b>Pet Bottles for Pharmaceutical application</b></p> <p><b>Usage/Application:</b> Pharma Pet Bottle</p> <p><b>Color:</b> All Colors</p> <p><b>Neck Size:</b> 22mm, 25mm &amp; 28mm</p> <p><b>Material:</b> PET</p> <p><b>Shape:</b> Round, Brute, Emcure, Flat, Square Bottom, etc</p>
	<p><b>Pet Bottles for Liquor application</b></p> <p><b>Usage/Application:</b> Liquor Pet Bottle</p> <p><b>Color:</b> All Colors</p> <p><b>Neck Size:</b> 20mm, 25mm &amp; 28mm</p> <p><b>Material:</b> PET</p> <p><b>Shape:</b> Round, Kidney shape, Flat, Hybrid, Rib, Square Bottom, etc</p>
	<p><b>Pet Bottles for Sanitizer application</b></p> <p><b>Usage/Application:</b> Sanitizer Pet Bottle</p> <p><b>Colour:</b> Clear</p> <p><b>Neck Size:</b> 20mm , 25mm &amp; 28mm</p> <p><b>Material:</b> PET</p> <p><b>Shape:</b> Round, Square , Flat, Oval, etc</p>
	<p><b>Pet Bottles for Dish wash liquid</b></p> <p><b>Usage/Application:</b> Dish wash Pet Bottle</p> <p><b>Colour:</b> Clear</p> <p><b>Neck Size:</b> 32mm</p> <p><b>Material:</b> PET</p> <p><b>Shape:</b> Customized</p>



**Pet Bottles for Mosquito repellent**

**Usage/Application:** Mosquito repellent Pet Bottle

**Colour:** Clear

**Neck Size:** mm

**Material:** PET

**Shape:** Customized



**Pet Bottles for Shampoo**

**Usage/Application:** Shampoo Pet Bottle

**Colour:** Clear

**Neck Size:** 25mm & 28mm

**Material:** PET

**Shape:** (Customized)

**PET PREFORMS**



**Pet PREFORMS for Hot fill Juices, CSD Beverages and Water**

**Usage/Application:** Hot fill Juices, CSD Beverages and Water

**Color:** All Colors

**Weight in Gm for water:** 19.5gm, 20.5gm & 21.5gm

**Weight in gm for Hot fill Juices & CSD Beverages 1810:** 21gm, 23.5gm & 25.5gm

**Neck Size & Profile:** 28 mm Alaska & 28mm PCO 1810

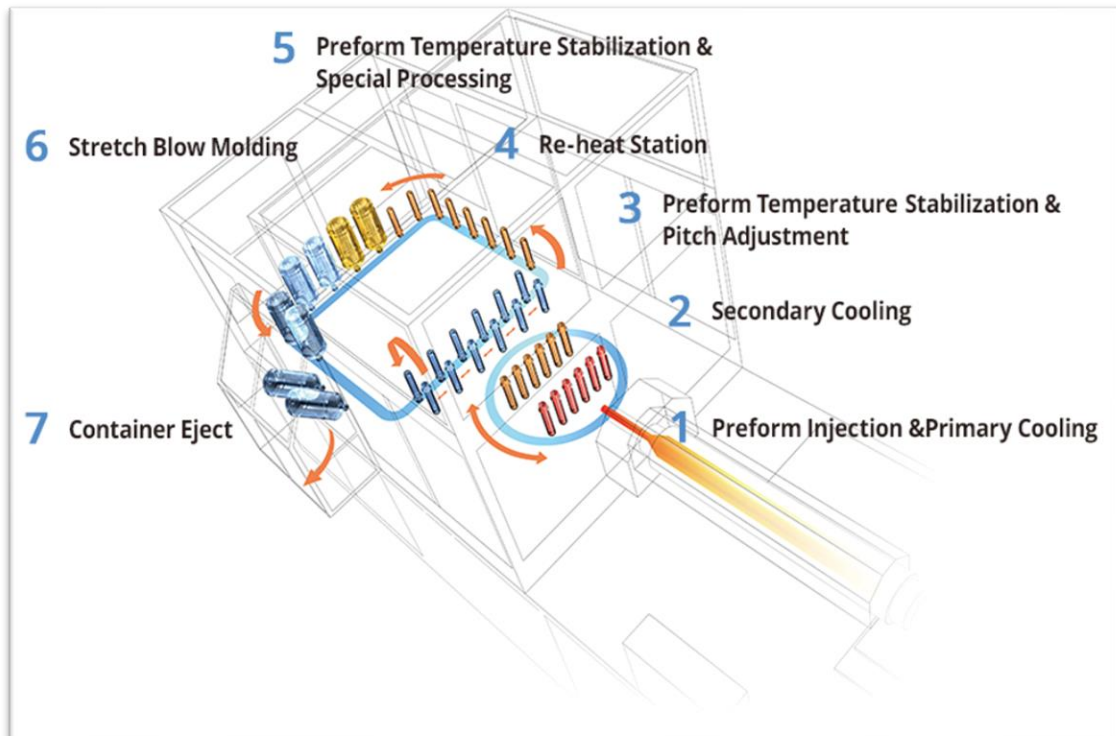
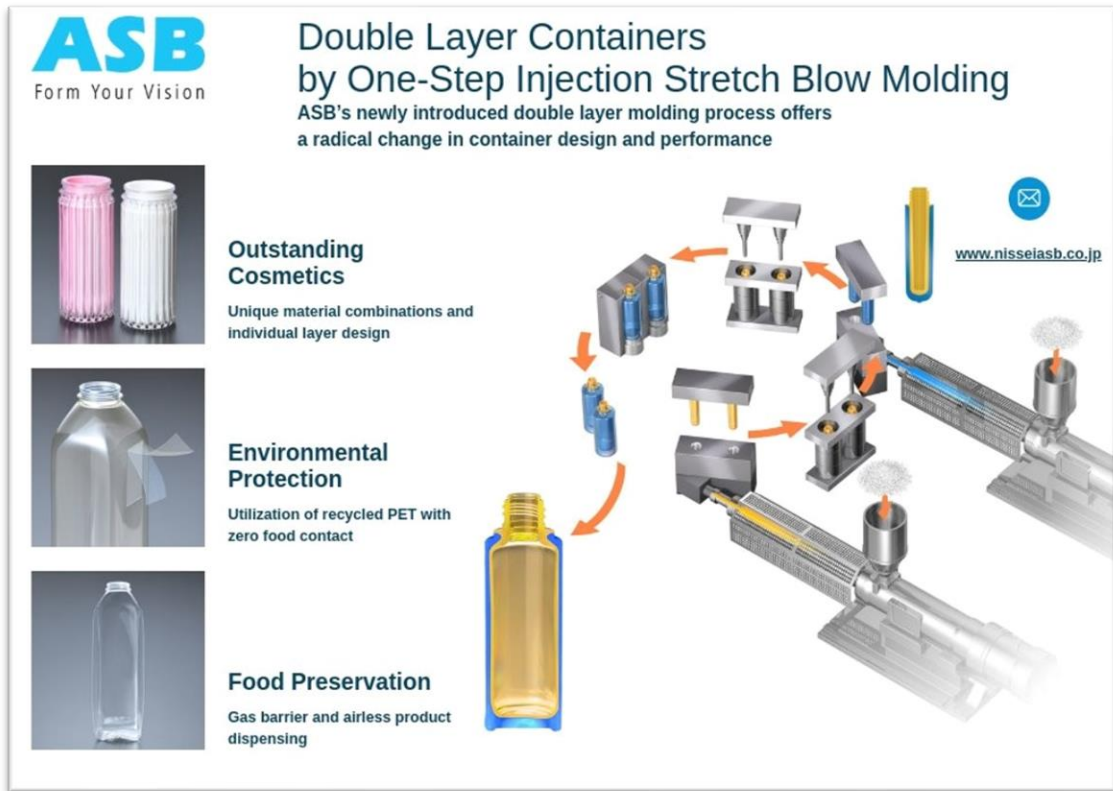
**Material:** PET

**Shape:** Round based & ECO based

## MANUFACTURING PROCESS

### Machine Flow Chart of ISBM PET BOTTLES

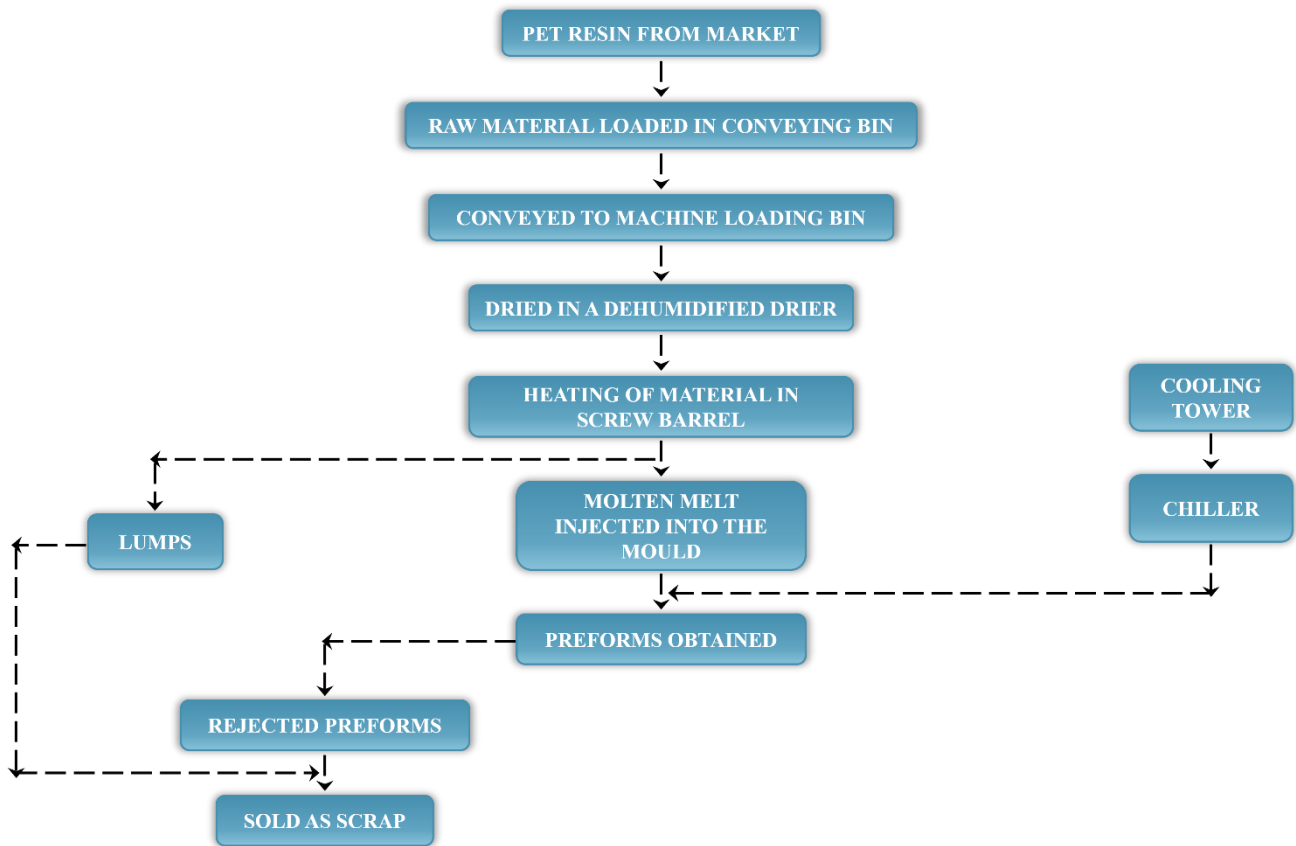
Our company produces ISBM (Injection Stretch Blow Molding) pet bottles which involves a series of activities which constitutes the entire manufacturing process. The detailed machine flowchart is as under





**OUR COMPANY PRODUCES PET PREFORMS WHICH INVOLVES A SERIES OF ACTIVITIES WHICH CONSTITUTES THE ENTIRE MANUFACTURING PROCESS.**

The detailed machine flow chart is as under:



**STEPS IN MANUFACTURING PROCESS**

For Pet Bottles: Pet Bottles are made on ABS Machines by ISBM Technology

1. **Drying the PET:** PET absorbs moisture from the atmosphere. This must be removed before processing using a dehumidifying dryer.
2. **Plasticizing the PET:** Dried PET Pellets are compressed and melted by a rotating injection
3. **Injection moulding preform:** Molten PET is injected into an injection cavity and cooled rapidly to form a “preform”. (The original test-tube-like form from which bottles are blown is known as a preform).
4. **Optimizing the preform temperature:** The temperature of the preform is adjusted to the correct profile for blowing.
5. **Stretch Blow moulding the container:** The hot preform is simultaneously stretched and blown (thereby orienting the crystals of and strengthening the PET) into a shaped blow mould to form a tough, light weight container.
6. **Container ejection:** The finished container is ejected.

The ISBM Process for PET requires support of following ancillary Equipments for operation of ASB Machines for stable, efficient and trouble-free running of ASB Machines and production of consistent quality bottles/jars.

- **PET Resin Dehumidifying Dryer with Hopper and Auto Loader:** - This equipment is required to dry and dehumidifying PET Resin (Residual water should be less the 50PPM) to enable production of quality PET Containers at Dryer Temperature of 150 ~ 170°C with 4 hrs drying time and dew point less than -40°C

- **Mold Chiller:** - This equipment enables rapid cooling of preform after hot/molten resin is injected into molds, for production of crystallized and clear PET preforms. Typical Chiller Water Temperature: 10 ~ 15°C with Flow Rate: 120 ~ 140 LPM.
- **Mold Temperature Controller (Optional):** - Certain Molds requires warm water/oil to be supplied to the condition stage for preform temperature optimization.
- **Air Compressor:** - Low Pressure air at maximum 9.9 kg/cm<sup>2</sup> is required for certain pneumatic operation on the machine and High-Pressure Blow Air typically between 25 ~ 30 kg/cm<sup>2</sup> is required for blowing PET Containers
- **Cooling Tower:** - Cooling Tower is required for Cooling the main Heat Exchange of Machine and other parts in machine and ancillary.

#### **For Pet Preforms:**

A PET preform is an intermediate product that is subsequently blown into a polyethylene terephthalate (PET) container. Preforms vary in neck finish, weight, colour and shape, and are specifically designed to meet the needs of customers in different market segments. Preforms can be single-layer or multilayer.

#### **The Injection Moulding Process:**

**Mold Cavity Creation:** The process begins with the design of a mold cavity, which represents the desired shape of the PET preform. These cavities are typically made from high-grade steel to withstand the stress and high temperatures of the injection moulding process.

**Plastic Resin Injection:** Small pellets of PET resin are fed into the injection moulding machine's hopper. The pellets are heated and melted, forming a molten plastic material.

**Injection into the Mold:** The molten plastic is then injected into the mould cavity under high pressure. This ensures that the material flows into every nook and cranny of the cavity, creating a precise and uniform preform shape.

**Cooling and Solidification:** After injection, the mould with the molten plastic is allowed to cool and solidify. Cooling time is carefully controlled to achieve optimal results.

**Ejection:** Once the preform has solidified, the mould is opened, and ejector pins push the preform out of the cavity.

### **OUR CLIENT BASE**

We have some reputed organization as our clients. We believe that our current capabilities and plans for the future will ensure that we are well positioned to attract and develop new customer relationships. Business from new customers is accepted upon consideration of factors such as alignment of capabilities and customer expectation, volume of business and future business, potential for close partnership with long-term association, and an analysis of upfront costs.

Our company has also entered into agreement with Jyothy Laboratories Limited which is engaged in the business of manufacturing, sales and distribution of FMCG products of household cleaning products under the brand name of "Pril". Our company manufactures the bottles for their product namely Pril Dish Wash Liquid on terms and conditions as set out in the agreement.

The following table illustrates the concentration of our revenues among our top customers\*:

(Rs. in Lakhs)

Particular	Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Revenue	In %	Revenue	In %	Revenue	In %
<b>Top 5 customers</b>	1615.92	26.54	1581.73	30.40	1424.02	32.88
<b>Top 10 customers</b>	2118.61	34.80	2114.31	40.63	1793.96	41.43

\*As certified by M/s. PSDY & Associates, Chartered Accountants through their certificate dated September 27, 2023

### **OUR PRODUCT WISE REVENUE DISTRIBUTION**

(Rs. in Lakhs)

Particulars	For the year ended March 31,					
	2023		2022		2021	
	Value	In %	Value	In %	Value	In %
PET Bottles	3,573.41	79.30%	3,815.29	77.12%	2,934.25	86.56%
PET Preforms Kgs	996.78	20.55%	2.25	0.05%	407.29	12.02%
Pilfer Proof Caps	1.63	0.04%	1,111.47	22.47%	2.84	0.08%
Trading Products	4.88	0.11%	18.28	0.37%	45.38	1.34%
<b>TOTAL</b>	<b>4,576.70</b>	<b>100%</b>	<b>4,947.29</b>	<b>100%</b>	<b>3,390.07</b>	<b>100%</b>

\*As certified by M/s. PSDY & Associates, Chartered Accountants through their certificate dated September 27, 2023

#### OUR STATE WISE REVENUE DISTRIBUTION

(Rs. in Lakhs)

Particulars	For the year ended March 31,					
	2023		2022		2021	
	Value	In %	Value	In %	Value	In %
Tamil Nadu	2,500.11	54.81%	20,30,27,684	41.04%	16,12,69,529	47.58%
Puducherry	1,875.454	41.11%	25,11,32,484	50.76%	15,46,35,483	45.62%
Delhi	0.23	0.01%	--	--	--	--
Odisha	2,575.76	0.06%	--	--	--	--
Karnataka	65.20388	1.43%	79,31,120.4	1.60%	11,07,367	0.33%
Kerala	110.1026	2.41%	2,41,02,059.8	4.87%	1,93,77,788	5.72%
Andhra Pradesh	8.14144	0.18%	85,35,339	1.73%	25,76,281	0.76%
<b>TOTAL</b>	<b>4576.70</b>	<b>100%</b>	<b>4947.29</b>	<b>100%</b>	<b>3390.07</b>	<b>100%</b>

\*As certified by M/s. PSDY & Associates, Chartered Accountants through their certificate dated September 27, 2023

#### OUR LOCATION

Particulars	Address
Registered Office and Manufacturing Unit	A75 - A76, PIPDIC Electronic Park, Thirubuvanai, Mannadipet Commune, Puducherry - 605107, Pondicherry, India.
Warehouse	Shed - B, RS. No. 143/1 And 40/13 at Erivaykal Road, Tiruvandarkoil Village, Mannadipet Commune Panchayat, Puducherry - 605102, Pondicherry, India.
Sales Depot	Tirunelveli No. 5/114 - A3, Sankaran Koil Road, Ramaiyanpatti, Tirunelveli - 627 358, Tamil Nadu.

#### PLANT & MACHINERY

##### Main Machines:

Sr. No.	Description of Items		Model No.	Year of Make
	Type	Maker's Names		
1	Bi AXIAL Stretch Blow Molding Machine	ASB INTERNATIONAL	50MB	Aug-09
2	Bi AXIAL Stretch Blow Molding Machine	ASB INTERNATIONAL	50MB	Aug-09
3	Bi AXIAL Stretch Blow Molding Machine	ASB INTERNATIONAL	50MB	Jul-09
4	Bi AXIAL Stretch Blow Molding Machine	ASB INTERNATIONAL	50MB	Oct-09
5	Bi AXIAL Stretch Blow Molding Machine	ASB INTERNATIONAL	50MB	Oct-09
6	Bi AXIAL Stretch Blow Molding Machine	ASB INTERNATIONAL	50MB	Oct-09
7	Bi AXIAL Stretch Blow Molding Machine	ASB INTERNATIONAL	50MB	Oct-09
8	Bi AXIAL Stretch Blow Molding Machine	ASB INTERNATIONAL	50MB-Servo	Jun-16
9	Bi AXIAL Stretch Blow Molding Machine	ASB INTERNATIONAL	50MB-Servo	Jun-16
10	Bi AXIAL Stretch Blow Molding Machine	ASB INTERNATIONAL	50MB-Servo	Jun-16
11	Bi AXIAL Stretch Blow Molding Machine	ASB INTERNATIONAL	50MB-Servo	Jan-18
12	Bi AXIAL Stretch Blow Molding Machine	ASB INTERNATIONAL	70DPH	Dec-09
13	Bi AXIAL Stretch Blow Molding Machine	ASB INTERNATIONAL	70DPH	Sep-11
14	Husky Injection Moulding Machine	HUSKY	HPETL180E	Jun-10

##### Auxiliaries

Sr. No.	Description of Items		Model No.	Year of Make
	Type	Maker's Names		
1	Chiller No: 1	GWK	WECO 12W	2008
2	Chiller No: 2	GWK	WECO 12W	2009
3	Chiller No: 3	GWK	WECO 12W	2009
4	Chiller No: 4	GWK	WECO 12W	2009
5	Chiller No: 5	GWK	WECO 12W	2009
6	Chiller No: 6	GWK	WECO 12W	2009
7	Chiller No: 7	GWK	WECO 12W	2009
8	Chiller No: 8	MATSUI	AMT 03A - W	Jun-16
9	Chiller No: 9	MATSUI	AMT 03A - W	Jun-16
10	Chiller No: 10	MATSUI	AMT 03A - W	Jun-16
11	Chiller No: 11	MATSUI	AMT 03A - W	Dec-17
12	Chiller No: 12	GWK	WECO 40W	2009
13	Chiller No: 13	GWK	WECO 30W	Feb-10
14	Chiller No: 14	GWK	WECO 30L	2009
15	Chiller No: 15	GWK	WECO 22W	2009
16	Husky Chiller	Green Box	C00LI80	2010
17	MSP Dryer GWK	GWK	500	2009
18	Husky Dehumidifier	Husky	HD 180	2010
19	LP Dryer	Kaeser Compressor	TD 61	2009
20	HP Dryer	Kaeser Compressor	TD60	2009
21	LP COMPRESSOR	Kaeser Compressor	BSD 72	2009
22	LP COMPRESSOR	Kaeser Compressor	BSD 72	2009
23	HP Compressor	Kaeser Compressor	N 351	2009
24	HP Compressor	Kaeser Compressor	N 351	2009
25	HP Air Tank	Kaeser Compressor	Receiver Tank IN1KL45UV	2009
26	LP Air Tank	Kaeser Compressor	Receiver Tank IN5KL11UV	2009
27	Resin Drier - 1	Wittman Battenfield	DYMAX ED80-H- C-180	2009
28	Resin Drier - 2	Wittman Battenfield	DYMAX ED80-H- C-180	2009
29	Resin Drier - 3	Wittman Battenfield	DYMAX ED80-H- C-180	2009
30	Resin Drier - 4	Wittman Battenfield	DYMAX ED80-H- C-180	2009
31	Resin Drier - 5	Wittman Battenfield	DYMAX ED80-H- C-180	2009
32	Resin Drier - 6	Wittman Battenfield	DYMAX ED80-H- C-180	2009
33	Resin Drier - 7	Wittman Battenfield	DYMAX ED80-H- C-180	2009
34	Resin Drier - 8	MATSUI	APD 25-IN	Jun-16
35	Resin Drier - 9	MATSUI	APD 25-IN	Jun-16
36	Resin Drier - 10	MATSUI	APD 25-IN	Jun-16
37	Resin Drier - 11	MATSUI	APD 25-IN	Jun-18
38	Resin Drier - 12	Wittman Battenfield	DRYMAX 100H-C- 180	2009
39	Resin Drier - 13	L/T	LMD120/160	2011
40	Resin Drier - Husky	Husky	DE906PHTTCH	2010
41	Mould Temperature Controller - MTC - 1	Wittman Battenfield	TP11A4AIL00.03- 00	Apr-08
42	Mould Temperature Controller - MTC - 2	Wittman Battenfield	TP11A4AIL00.03- 00	Aug-09
43	Mould Temperature Controller - MTC - 3	Wittman Battenfield	TP11A4AIL00.03- 00	Apr-08

Sr. No.	Description of Items		Model No.	Year of Make
	Type	Maker's Names		
44	Mould Temperature Controller - MTC - 4	Wittman Battenfield	TP11A4AIL00.03-00	Apr-08
45	Mould Temperature Controller - MTC - 5	Wittman Battenfield	TP11A4AIL00.03-00	Aug-09
46	Mould Temperature Controller - MTC - 6	MATSUI	AML2-88-IN	Nov-17
47	Mould Temperature Controller - MTC - 7	MATSUI	AML2-88-IN	Jun-16
48	Mould Temperature Controller - MTC - 8	MATSUI	AML2-88-IN	Jun-16
49	Mould Temperature Controller - MTC - 9	MATSUI	AML2-88-IN	Jun-16
50	Mould Temperature Controller - MTC - 10	Larsen & toubro	LTM50	Sep-11
51	DIESEL GENERATOR - 400 KVA	Kirloskar	Kirloskar 8K15TA	Sep-09
52	DIESEL GENERATOR - 500 KVA	Kirloskar	Kirloskar DV10	Feb-10
53	TRANSFORMER- 1000KVA/22KV	MCNOLD INDUSTRIAL TRANSFORMER	MCNOLD(WPDT)	2009
54	MAIN PANEL & SUB PANEL	POWER 'N' CONTROL ENGINEERS	POWER 'N' CONTROL ENGINEERS	Sep-09
55	EOT -CRANE_2 TON,	POWER 'N' CONTROL ENGINEERS	ANKIT	2011
55	DELTA -ONLINE UPS ULTRON DPS SERIES WITH BATTERIES- 200KVA	Delta Power Solution India (P) Ltd.,	MODEL: GES264NT	2010
56	MATERIAL CENTRALIZED CONVEYING SYSTEM	Wittman Battenfield	STEUERUNG E Max	2009

## CAPACITY UTILIZATION

### Last 3 Years Installed Capacity and Utilized Capacity in KG

Products KG	2020-21			2021-22			2022-23		
	Installed Capacity in KG	Utilized Capacity in KG	Utilization %	Installed Capacity in KG	Utilized Capacity in KG	Utilization %	Installed Capacity in KG	Utilized Capacity in KG	Utilization %
Pet Bottles-Corporate Segments	504000	470731.382	93.40%	474000	473979.24	100%	514000	487199.080	94.79%
Liquor Pet Bottles	630000	435029.784	69.05%	820000	796312.046	97.11%	740000	611940.020	82.69%
Pharmaceutical Bottles	1008000	749120.946	74.32%	848000	812815.980	95.85%	888000	761816.579	85.79%
Pet Preforms	1494000	438142.567	29.33%	1494000	588230	39.37%	1494000	895900.895	59.97%
Total	3636000	2093024.679		3636000	267133726		3636000	2756856.574	

As Certified by chartered Engineer M/s R. Thanikaivelan, B.E., (Registered Engineer) vide certificate dated September 27, 2023

## COLLABORATIONS/ TIE – UPS/ JOINT VENTURES

Except as disclosed in this Draft Red Herring Prospectus, we do not have any Collaboration/Tie Ups/ Joint Ventures as on date of Draft Red Herring Prospectus.

## EXPORT AND EXPORT OBLIGATION

Our Company has identified certain key export markets for its products. As on the date, we do not have any export obligation.

## UTILITIES AND INFRASTRUCTURE FACILITIES

Our registered office is located at Pondicherry. Our office is equipped with uninterrupted power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

### Power

Our Company requires power for the manufacturing process and for normal requirement of the Office for lighting, systems etc. Adequate power is available which is met through the electricity Department. We also have DG Set and UPS for power back-up

<b>Power Supply</b>	<b>Source:</b>	Electricity Department of Puducherry
	<b>Transformer:</b>	1000 KVA OLTC Transformer
	<b>Sanctioned Load:</b>	950KVA
	<b>Power backup:</b>	2 x 250 KVA DG Set
	<b>Additional Power backup:</b>	UPS having capacity of 250 KVA

### Water

Water is required for human consumption and domestic consumption at office and adequate water sources are available from municipal water supply. The requirements are fully met at the existing premises.

<b>Water</b>	<b>Source:</b>	PIPDIC Water
	<b>Industrial consumption:</b>	5.0KL /Day
	<b>Domestic consumption:</b>	1.0 KL / Day

### RAW MATERIAL

The raw material used in manufacturing of PET Bottles and PET Preforms is PET (Polyethylene terephthalate) in Granules form and Master Batch. We mostly procure our raw materials from local manufacturers because of good quality & consistent supply though imported RM is also available in the market and sell our products to various organizations / wholesalers.

The following table illustrates the concentration of our revenues among our top customers:

(Rs. in Lakhs)

Particular	Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Revenue	In %	Revenue	In %	Revenue	In %
<b>Top 5 Suppliers</b>	2,223.45	59.99%	2,224.86	53.30%	1,877.49	44.57
<b>Top 10 Suppliers</b>	2,270.47	65.00%	2,240.80	55.00%	2,001.94	48.00%

\*As certified by M/s. PSDY & Associates, Chartered Accountants through their certificate dated September 26, 2023

### ENVIRONMENT, HEALTH & SAFETY

Our activities are subject to various environmental laws and regulations which govern, among other matters, air emissions, waste water discharges, the handling, storage and disposal of hazardous substances and wastes and employee health and employee safety. For further information, see “Key Industry Regulations and Policies” beginning on page 137 of this Draft Red Herring Prospectus. We continue to ensure compliance with applicable health and safety regulations and other requirements in our operations.

We have complied, and will continue to comply, with all applicable environmental and associated laws, rules and regulations. We have obtained, or are in the process of obtaining or renewing, all material environmental consents and licenses from the relevant governmental agencies that are necessary for us to carry on our business. For further information, see “Government and Other Statutory Approvals” beginning on page 200 of this Draft Prospectus.

### REPAIR AND MAINTENANCE

We conduct periodic repair and maintenance programs for our manufacturing facility. Our machinery and electrical repair teams carry out periodic maintenance and repair of the plant and machineries on as needed basis. In addition, our manufacturing facilities is periodically inspected by our technicians.

### HUMAN RESOURCES

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our company looks for specific skill-sets, interests and background that would be an asset for our business.

We have 66 employees on Roll - Accounts & Finance, Compliance, Maintenance, Marketing & Logistics, Production & Operations, Quality, Top Level Management and Permanent Labour also around 35 contract labours at our Manufacturing facilities. We seek to maintain a culture of innovation by empowering our employees at all levels of our organization. Our success depends upon our ability to attract, develop, motivate and retain highly-skilled and multi-dimensional team members. Our people management strategy is based on four key components: recruiting, training and development, compensation and retention.

As on March 31, 2023 our Company has 66 employees on payroll. Bifurcation is as follows:

<b>Department</b>	<b>Number of Employees</b>
Top level management	2
Accounts & Finance	2
Compliance	1
Maintenance	3
Marketing & Logistics	2
Production & Operations	30
Quality	9
Permanent Labour	18
<b>Total</b>	<b>66</b>

Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

## **SALES AND MARKETING**

Marketing is an important function of any organization and our company is no exception to it. We have deployed a team of efficient marketing professionals for the marketing and promotion of our products. Our success lies in the strength of our relationship with our clients who have been associated with our company since a long period of time. Our promoters have vast experience and good connections with the clients and owing to timely delivery of quality and safe products plays an instrumental role in creating and expanding the work platform for our company.

Regular interaction is ensured not only to maintain the client base but also to gain insight into the design and specification needs of our diverse clientele. With large sales potential, year-round production, high demand of our products, streamlined manufacturing process, raw material proximity, some extent of backward integration and availability of professional & technical expertise of our promoters, we plan to grow geographically in the foreseeable period of time.

## **COMPETITION**

“Plastic made Products” is a global industry and consequently we face intense competition from various domestic and international manufacturers and traders. Being a fragmented industry, the competition emerges from various small and big players in the industry.

We believe the principal elements of competition in our industry are quality, technical ability, performance record, sustainable relationship with existing clients and vendors, use of technically upgraded plant and machinery, timely delivery and reliability. We compete against our competitors by establishing ourselves as knowledge-based production unit with industry expertise in the segment which enables us to provide our clients with quality products. However, price is the deciding factor in most cases. The industry in which the company operates is un-organized and fragmented with certain small and medium – sized companies and entities.

## **INSURANCE**

Our operations are subject to various risks inherent in our industry. We have obtained insurance in order to manage the risk of losses from potentially harmful events. We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurance. Our policies are subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any

assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies.

Sr. No.	Name of the Insurance Company	Type of policy	Validity period up to	Policy Number	Sum Insured	Premium p.a.
1.	The New India Assurance Co. Ltd	Burglary (Multiple Locations with Specified Sum Insured) Insurance	March 13, 2024	71300246220100000019	4,50,00,000/-	4,500/-
2.	The New India Assurance Co. Ltd	New India Bharat Laghu Udyam Suraksha Policy	November 10, 2023	71300211224300000002	17,71,65,259/-	2,49,928/-

## PROPERTIES

### Lease Properties:

Sr. No	Date of License and Lease	Lessor	Address	Period of Lease	Area	Monthly Rent	Purpose
1	27/11/2006	Pondicherry Industrial Promotion Development and Investment Corporation Ltd.	A75 & A76, PIPDIC Electronic Park Thirubuvanai Mannadipet Commune Puducherry – 605107	99 years	2,100 Sq. Mts.	Rs.2/- (Re.1/- per lot) / Rs.100 for 99 years.	Factory & Registered office
2	Date of allotment – 22/3/2023	Industrial Promotion Development and Investment Corporation Ltd.	128/1Apt, 128-1B, 141pt, 142/3pt, 142-2Apt, 144/1pt, 144-2pt, 144/2pt, 144/4pt, 144/5pt, 144/6pt, 143/1pt, 144/7pt, 145/1pt, 145/2pt, 146/2pt, 146/3pt, 146/4pt, 146/5, 146/6, 146/7, 146/8, 146/9, 146/10pt, 151/5, 151/4pt, 151/6pt, 152/1, 152/2A, 152/3pt, 152/4, 152/5, 152/6Apt, 152/7pt, 152/8, 152/9pt and 152/11Apt. Industrial Growth Center, Polaga, Kariakyal	30 years initially may be extended to 99 years	1,01,175 Sq. Mts.	No Rent	For Construction of Solar Power Plant
3	01/01/2023	Mrs. S. Southa	Tirunelveli No. 5/114-a3, Sankaran Koil Road, Ramaiyanpatti,	3 years	3100 Sq. Ft.	1st year – Rs. 40,000/- 2nd year – Rs. 42,000/- 3rd year – Rs.	Sales Depot



Sr. No	Date of License and Lease	Lessor	Address	Period of Lease	Area	Monthly Rent	Purpose
			Tirunelveli - 627 358			44,000/-	
4	Earlier one is expired on 4/7/21. Needs to renew	Swasthik Pet Packaging's	Shed B, R.S NO. 143/1 & 40/13, Erivaykal Road, Tiruvander Koil Village, Mannadipet Commune Panchayat, Puducherry - 605102	9 months	7812 Sq. Ft.	Rs.78,000/- pm	Warehouse
5	22/9/2010	Pondicherry Industrial Promotion Development and Investment Corporation Ltd.	A 34 and A 35 PIPDIC Electronic Park, Thrubuvani, Pudicherry - 605 107.	99 years	2100 sq mt	Rs.2/-(Re.1/- per lot) / Rs.100 for 99 years.	For New Factory Construction

#### INTELLECTUAL PROPERTY

Trademarks / patents / copyright/registered/objected/abandoned in the name of our company:

Sr. No	Trade Mark Logo	Class	TM mark Type	Owner	Application No./ Registration Certificate No.	Date of Application	Current Status
1		17	Device	Swasthik Plascon Limited	9235179	12-09-2023	Not Known
2		35	Device	Swasthik Plascon Limited	9235632	13-09-2023	Not Known

## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of certain sector-specific statutes, regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to us in order to carry out our business and operations in India. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies that are available in the public domain. The description set out below is only intended to provide general information to the investors and may not be exhaustive and is neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of Indian law, and remain subject to judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative, or judicial decisions. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the section titled “Government and other Approvals” on page 200.*

### APPROVALS

*For the purpose of the business undertaken by our Company, it is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and other Approvals” beginning on page number 200 of this Draft Red Herring Prospectus.*

### APPLICABLE LAWS AND REGULATIONS:

#### **BUSINESS/TRADE RELATED LAWS/REGULATIONS**

##### **The Micro, Small and Medium Enterprises Development Act, 2006**

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

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

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

##### **The Bureau of Indian Standards Act, 2016**

The Bureau of Indian Standards Act, 2016 (“BIS Act”) provides for the establishment of bureau for the standardization, marking and quality certification of goods. Functions of the bureau include, inter-alia, (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) conducting such inspection and taking such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license.

##### **Bureau of Indian Standards Rules, 2018 (the “Bureau of Indian Standards Rules”).**

The Bureau of India Standards Rules, 2018, as amended, have been notified, in supersession of the Bureau of Indian Standards Rules, 1987, in so far as they relate to Chapter IV A of the said rules relating to registration of the articles notified by the Central Government, and in supersession of the Bureau of Indian Standards Rules, 2017 except in relation to things done or omitted to be done before such supersession. Under the Bureau of Indian Standards Rules, the bureau is required to establish Indian standards in relation to any goods, article, process, system or service and shall reaffirm, amend, revise or withdraw Indian standards so established as may be necessary.

### **Consumer Protection Act, 2019 (“COPRA, 2019”)**

The CPA came into effect on December 24, 1986. It aims to reinforce the interests and rights of consumers by laying down a mechanism for speedy consumer grievance redressal. A consumer, his legal heir or representative, as defined under the CPA including a person who avails of any services for a consideration which has been paid in full or part or promised to be paid, any voluntary consumer association registered under any applicable law or numerous consumers having the same interest, or the Central or State Government may lodge a complaint before the district forum or any other appropriate forum under CPA, inter alia, for:

- (i) Defective or spurious goods or services;
- (ii) Unfair or restrictive trade practices;
- (iii) Deficiency in services hired or availed;
- (iv) Manufacture or provision of hazardous goods/services; and
- (v) Misleading or false warranties or guarantee or representations by the manufacturer/service provider. In addition to awarding compensations and/or corrective orders, the forums and commissions under CPA are empowered to impose imprisonment of not less than a month, but not exceeding three years, or a fine of not less than two thousand rupees, but not more than ten thousand rupees, or both.

### **Plastic Waste Management (PWM) Rules, 2016**

The government of India, through the Ministry of Environment, Forest and Climate Change notified the new Plastic Waste Management Rules, 2016 (through a Gazette notification dated 18 March, 2016). This supersedes the Plastic Waste (Management and Handling) Rules, 2011 that governed such activities earlier. This provides the framework for how plastic waste generators, local bodies, manufacturers, importers etc., to manage plastic waste.

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

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

## **EMPLOYMENT AND LABOUR LAWS**

### **The Code on Wages, 2019 (the “Code”)**

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

**The four existing laws are as follows:**

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

Payment of Wages Act, 1936, as amended, Payment of Wages (Amendment) Act, 2017 is aimed at regulating the payment of wages to certain classes of persons employed in certain specified industries and to ensure a speedy and effective remedy for them against illegal deductions or unjustified delay caused in paying wages to them.

The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made there under.

### **The Minimum Wages Act, 1948**

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

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

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

### **The Equal Remuneration Act, 1976**

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

### **Industrial Relations Code, 2020**

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

#### **Industrial Disputes Act, 1947**

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

#### **Trade Unions Act, 1926**

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

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

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

### **Code on Social Security, 2020**

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

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

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

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

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

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

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

#### **Maternity Benefit Act, 1961**

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

#### **Payment of Gratuity Act, 1972**

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class

of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this Act has become applicable shall be continued to be governed by this Act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

### **The Employees' Pension Scheme, 1995**

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

### **Employees' Deposit Linked Insurance Scheme, 1976**

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

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

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

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

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

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

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

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

- Public Liability Insurance Act, 1991 ("PLI Act")
- Industrial (Development and Regulation) Act, 1951 ("IDRA")
- Industrial Disputes Act, 1947 ("ID Act")
- Payment of Bonus Act, 1965 ("POB Act")

- Payment of Gratuity Act, 1972.
- Child Labour (Prohibition and Regulation) Act, 1986
- Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979
- Equal Remuneration Act, 1976 (“ER Act”)
- Contract Labour (Regulation and Abolition) Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition)
- Central Rules, 1971 (Contract Labour Rules)
- Workmen Compensation Act, 1923 (“WCA”)
- Maternity Benefit Act, 1961 (“Maternity Act”)
- Industrial Employment Standing Orders Act, 1946
- The Employees Compensation Act, 1923 (“EC Act”) and the rules framed thereunder
- Minimum Wages Act, 1948 (“MWA”) and the rules framed thereunder.

## **ENVIRONMENT RELATED LAWS**

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

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

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

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

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

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

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

The Air (Prevention and Control of Pollution) Act, 1981 has been enacted to provide for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board.

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

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

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

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

### **Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 (“Hazardous Wastes Rules”)**

The Hazardous Wastes Rules impose an obligation on every occupier of an establishment generating hazardous waste to recycle or reprocess or reuse such wastes in a registered recycler or to dispose of such hazardous wastes in an authorized disposal facility. Every person engaged, inter alia, in the generation, processing, treatment, package, storage and destruction of hazardous waste is required to obtain an authorization from the relevant state PCB for collecting, recycling, reprocessing, disposing, storing and treating the hazardous waste.

### **The Public Liability Insurance Act, 1991**

The Public Liability Insurance Act places responsibility on those who own or control hazardous substances for any damage resulting from accidents involving such substances. A roster of hazardous substances falling under the scope of this law is outlined through government notifications. The owner or handler of these substances is additionally mandated to acquire an insurance policy that covers liability in connection with the act. Rules established under the Public Liability Act dictate that the employer is obligated to contribute to the environmental relief fund, an amount equivalent to the premium paid for insurance policies. This contribution is payable to the insurer.

## **GENERAL CORPORATE COMPLIANCE**

### **The Companies Act, 2013**

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013. The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors, the procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Act. Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a Company. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

### **The Registration Act, 1908**

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

### **Shops and commercial establishments legislations**

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in 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. All establishments must be registered under the shops and establishments legislations of the state where they are located. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations, as well as the procedures for appeal in relation to such contravention of the provisions.

## **ANTI-TRUST LAWS**

### **Competition Act, 2002 (the “Act”)**

The Act is to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The Act deals with prohibition of anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

## **TAX RELATED LEGISLATIONS**

### **Income-tax Act, 1961 (“Income Tax Act”)**

The Income Tax Act is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. The Income Tax Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc.

### **Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e., bringing into India from a place outside India or at the time of export of goods i.e., taken out of India to a place outside India. Any Company desirous of importing or exporting any goods is first required to get it registered and obtain an IEC (Importer Exporter Code).

### **Central Goods and Services Tax Act, 2017 (the “GST Act”)**

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state is levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

## **INTELLECTUAL PROPERTY LEGISLATIONS**

### **Trade Marks Act, 1999 (“Trade Marks Act”)**

The Trade Marks Act provides for the application and registration of trademarks in India. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label and heading, and to obtain relief in case of infringement of such marks. An application for the registration of trademarks has to be made to Controller General of Patents, Designs and Trade Marks who is the Registrar of Trade Marks for the purposes of the Trade Marks Act. It also provides for penalties for infringement, falsifying, and falsely applying trademarks and using them to cause confusion among the public. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks (“the Registrar”), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

## **GENERAL LAWS**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Negotiable Instrument Act 1881, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, Consumer Protection Act 2019, Indian Contract Act, 1872, Transfer of Property Act, 1882, Information Technology Act, 2000 etc.

## **REGULATIONS REGARDING FOREIGN INVESTMENT**

Foreign Exchange Management Act, 1999 and Consolidated Foreign Direct Investment Policy Circular of 2017 (as amended from time to time)

Foreign investment in companies in the manufacturing sector is governed by the provisions of the Foreign Exchange Management Act, 1999 (“FEMA”) read with the applicable regulations. The Department of Industrial Policy and Promotion (“DIPP”), Ministry of Commerce and Industry has issued the Consolidated FDI Policy which consolidates the policy framework on Foreign Direct Investment (“FDI Policy”), with effect from August 28, 2017. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till August 27, 2017. All the press notes, press releases, clarifications on FDI issued by DIPP till August 27, 2017 stand rescinded as on August 28, 2017. In terms of the FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the Government, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where Government approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company. The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 to prohibit, restrict or regulate, transfer by or issue of security to a person resident outside India. The Company is engaged in the activity of wholesale trading and multi-brand retail trading. The FDI Policy issued by the DIPP permits foreign investment up to 100% in the Cash and Carry Wholesale Trading/ Wholesale Trading (“WT”) sector under the automatic route. Further, the FDI Policy permits foreign investment up to 51% in the multi-brand retail sector under the government route subject to certain conditions which are mentioned below.

### **Other regulations:**

In addition to the above, the Company is required to comply with the provisions of the Companies Act, and other applicable statutes imposed by the Centre or the State for its day-to-day operations.

## HISTORY AND CERTAIN CORPORATE MATTERS

### BRIEF HISTORY AND BACKGROUND

Our company was originally formed on June 30, 2006 as a Partnership Firm under the name and style of “Swashtik Caps”. Subsequently, our company was converted into Private Limited Company vide certificate of incorporation dated May 05, 2011 bearing corporate identity no. U25209PY2011PTC002578 issued by the Registrar of Companies, Pondicherry. Subsequently, the company name was changed to Swashtik Plascon Private Limited pursuant to issuance of Fresh Certificate of Incorporation dated June 13, 2023 by Registrar of Companies, Pondicherry. Subsequently our Company was converted into Public Limited Company and name of company was changed from “Swashtik Plascon Private Limited” to “Swashtik Plascon Limited” vide fresh certificate of incorporation dated July 17, 2023 issued by the Registrar of Companies, Pondicherry.

Our Company was originally promoted by Mrs. D Anita, Mr. Yeshpal Shivani, Mrs. Mahendrakumar Nirmala, Mrs. R Asha Jain, Mr. Ramnath Ashok Pappa, Mr. Misrimal Parasmal, Mr. Parasmal Ravindra Kumar, Mr. Ramnath Ashok and Mr. Vijayakumar Chainraj Jain who were the initial subscribers to the Company’s Memorandum and Articles of Association.

Mr. Parasmal Mahendra Kumar, Mr. Parasmal Ravindra Kumar, Mr. Parasmal Dharmendra Kumar, Mr. Misrilal Parasmal, Mrs. P Umrao, Mrs. Mahendrakumar Nirmala, Mrs. R Asha Jain and Mrs. D Anita are the present promoters of our Company.

As on date of this Draft Red Herring Prospectus, our Company has Eighteen (18) shareholders.

For information on our Company’s profile, activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, major suppliers, please refer the sections entitled “*Industry Overview*”, “*Our Business*”, “*Our Management*”, “*Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 100, 120, 120, 151, 177 and 183 respectively.

### ADDRESS OF REGISTERED OFFICE:

The Registered Office of the Company is situated at No. A75 - A76, PIPDIC Electronic Park, Thirubuvanai, Mannadipet Commune, Puducherry - 605107, Pondicherry, India.

### CHANGES IN REGISTERED OFFICE OF THE COMPANY SINCE INCORPORATION

There has not been any change in our Registered Office since incorporation till date of this Draft Red Herring Prospectus.

### OUR MAIN OBJECT

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

To carry on the business of importers, exporters, manufacturers, dealers, sellers, buyers, or in any other manner or by any other mode or by any other commercial name in all kinds of plastic including PET, HDPE, LDPE, Granules, plastic polymers, Polystyrene, PVC, Nylon synthetic rubber, packaging products, its recycling, plastic products, plastic raw materials, resins, goods and articles connected with the plastic manufacturing industry for all kinds of usages.

To carry on business of importers, exporters, manufacturers, agents and representatives and dealers in all kinds of plastic raw materials, products and its related machineries.

### CHANGES IN MEMORANDUM OF ASSOCIATION

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Sr. No.	Particulars	Date of Meeting	Type of Meeting
1.	Increase in Authorized Capital of the Company from Rs. 4,00,00,000 (Four crore) divided into 40,00,000 equity shares of Rs. 10/- each to Rs. 6,00,00,000 (Six Crore) divided into 60,00,000 equity shares of Rs. 10/- each	August 26, 2013	Extra-Ordinary General Meeting
2.	Increase in Authorized Capital of the Company from Rs. 6,00,00,000	March 20,	Extra-Ordinary

Sr. No.	Particulars	Date of Meeting	Type of Meeting
	(Six Crore) divided into 60,00,000 equity shares of Rs. 10/- each to Rs. 14,00,00,000 (Fourteen Crore) divided into 1,40,00,000 equity shares of Rs. 10/- each	2023	General Meeting
3.	Increase in Authorized Capital of the Company from 14,00,00,000 (Fourteen Crore) divided into 1,40,00,000 equity shares of Rs. 10/- each to Rs. 18,00,00,000 (Eighteen Crore) divided into 1,80,00,000 equity shares of Rs. 10/- each	June 22, 2023	Extra-Ordinary General Meeting
4.	Conversion of Company into Public limited Company and change in name of company from Swashtik Plascon Private Limited to Swashtik Plascon Limited vide fresh Certificate of Incorporation issued by Registrar of Companies, Pondicherry, dated July 17, 2023	June 22, 2023	Extra-Ordinary General Meeting

#### ADOPTING NEW ARTICLES OF ASSOCIATION OF THE COMPANY

Our Company has adopted a new set of Articles of Association of the Company, in the Extra-Ordinary General Meeting of the Company dated June 22, 2023.

#### KEY EVENTS AND MILE STONES

Year	Key Events / Milestone / Achievements
2006-07	Incorporation of the partnership firm in the name and style of <b>“Swashtik Caps”</b>
2011-12	Conversion of partnership firm into private limited company vide fresh certificate of incorporation dated May 05, 2011.
2023-24	Converted into Public Limited Company vide fresh certificate of incorporation dated July 17, 2023

#### OTHER DETAILS ABOUT OUR COMPANY

For details of our Company’s activities, products, growth, technology, marketing strategy, competition and our customers, please refer section titled *“Our Business”*, *“Management’s Discussion and Analysis of Financial Conditions and Results of Operations”* and *“Basis for Issue Price”* on pages 120, 183 and 91 respectively of this Draft Red Herring Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled *“Our Management”* and *“Capital Structure”* beginning on pages 151 and 67 of this Draft Red Herring Prospectus respectively.

#### ACQUISITION OF BUSINESS/UNDERTAKINGS & AMALGAMATION

Except as disclosed in this Draft Red Herring Prospectus, there has been no acquisition of business/undertakings, mergers, amalgamation since incorporation.

#### HOLDING COMPANY

As on the date of this Draft Red Herring Prospectus, there is no holding company of our Company.

#### SUBSIDIARY OF OUR COMPANY

As on the date of this Draft Red Herring Prospectus, following are the subsidiary Companies:

##### I. *Swashtik Preforms Private Limited*

###### Corporate Information:

Swashtik Preforms Private Limited was incorporated on May 03, 2011 as Private Limited Company bearing Registration No.002577. The CIN of company is U25209PY2011PTC002577. The Registered Office is situated at No. A73 - A74, Pipdic Electronic Park, Thriubuvanai, Mannadipet Commune, Puducherry, Pondicherry - 605107, India.

###### Nature of Business

The main object of company includes, inter alia carrying business of all kinds of Plastic including PET, HDPE, LDPE, Granules etc.

### Capital Structure

The authorised and paid-up capital of company is Rs. 4,50,00,000 divided into 45,00,000 equity shares of Rs.10 each.

### Shareholding of the issuer

Sr. No.	Name of Shareholder	Shares	In %
1.	Swashtik Plascon Limited	45,00,000	100.00%

### Amount of accumulated profits or losses

There are no accumulated profits or losses of our Subsidiary that are not accounted for by our Company in the Consolidated Financial Statements.

## **II. Ms. Swashtik Industries (Partnership Firm)**

### Corporate Information

Swashtik Industries is partnership firm originally formed on April 01, 2022 having registered office at R.S. No. 143/3A, 143/3B and 143/4. Erivaykal Road, Thiruvandar Koil Village, Mannadipet Commune, Puducherry – 605107 and further the partnership firm was reconstituted on March 28, 2023 with takeover of 99% by Swashtik Plascon Limited.

### Nature of Business

The main object of firm includes, inter alia carrying Manufacturing of Injection and Stretch blow moulded components, Preforms, Caps, Juice Bottles, Jars, etc.

### Share in Partnership

Sr. No.	Name of Shareholder	Shares (%)
1.	Swashtik Plascon Limited	99%

### Amount of accumulated profits or losses

There are no accumulated profits or losses of our Subsidiary that are not accounted for by our Company in the Consolidated Financial Statements.

## **III. Ms. Swashtik Poliemers (Partnership Firm)**

Swashtik Poliemers is partnership firm originally formed on April 03, 2022 having registered office at A-34 & A-35, PIPDIC Electronic Park, Thirubuvanai, Mannadipet Commune, Puducherry – 605107 and further the partnership firm was reconstituted on May 01, 2023 with takeover of 99% by Swashtik Plascon Limited.

### Nature of Business

The main object of firm includes, inter alia carrying Manufacturing of Pet Preforms, Pet Jars, Pet Bottles and Pet Containers, Caps and closures, etc., and Other Injection and Blow Molding Components and Other Related Plastic items, Job work, etc

### Share in Partnership

Sr.No.	Name of Shareholder	Shares (%)
1.	Swashtik Plascon Limited	99%

### Amount of accumulated profits or losses

There are no accumulated profits or losses of our Subsidiary that are not accounted for by our Company in the Consolidated Financial Statements.

### **Capital raising (Debt / Equity)**

For details in relation to our capital raising activities through equity, please refer to the chapter titled “*Capital Structure*” beginning on page 67 of this Draft Red Herring Prospectus. For details of our Company’s debt facilities, please refer section “Financial Information” on page 177 of this Draft Red Herring Prospectus.

***Time and Cost overruns in setting up projects***

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

***Injunction or restraining order***

There are no injunctions/ restraining orders that have been passed against the Company.

***Revaluation of Assets***

Our Company has not revalued its assets since incorporation

***Defaults or Rescheduling of borrowings with financial institutions/banks and Conversion of loans into Equity Shares***

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of this Draft Red Herring Prospectus. Furthermore, except as disclosed in chapter titled “*Capital Structure*” beginning on Page 67 of this Draft Red Herring Prospectus, none of the Company’s loans have been converted into equity in the past.

***Lock-out or strikes***

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lockouts. As on the date of this Draft Red Herring Prospectus, our employees are not unionized.

***Shareholders of our Company:***

Our Company has Eighteen (18) shareholders as on the date of this Draft Red Herring Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled “*Capital Structure*” beginning on page 67 of this Draft Red Herring Prospectus.

***Changes in the Management***

For details of change in Management, please see chapter titled “*Our Management*” on page 151 of this Draft Red Herring Prospectus.

***Changes in activities of our Company during the last five (5) years***

There has been no change in the business activities of our Company during last five (5) years from the date of this Draft Red Herring Prospectus which may have had a material effect on the profit/loss account of our Company except as mentioned in Material development in chapter titled “*Management’s discussion and analysis of financial conditions & results of operations*” beginning on page 183 of this Draft Red Herring Prospectus.

***Shareholders Agreements***

As on the date of this Draft Red Herring Prospectus, there are no subsisting shareholder’s agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same.

***Collaboration Agreements***

As on the date of this Draft Red Herring Prospectus, our Company is not a party to any collaboration agreements.

***Material Agreement***

Our Company has not entered into any material agreements other than the agreements entered into by it in ordinary course of business.

**OTHER AGREEMENTS**

### ***Non-Compete Agreement***

Our Company has not entered into any Non-compete Agreement as on the date of filing of this Draft Red Herring Prospectus.

### ***Joint Venture Agreement***

Except the agreements entered in the ordinary course of business carried on or intended to be carried on by us, we have not entered into any other Joint Venture agreement.

### ***Strategic Partners***

Except as mentioned in this Draft Red Herring Prospectus, Our Company does not have any strategic partners as on the date of this Draft Red Herring Prospectus.

### ***Financial Partners***

Our Company does not have any financial partners as on the date of this Draft Red Herring Prospectus.

### ***Corporate Profile of our Company***

For details on the description of our Company's activities, the growth of our Company, please see "*Our Business*", "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" and "*Basis of Issue Price*" on pages 120, 183 and 91 of this Draft Red Herring Prospectus.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

Under Articles of Association of our Company, the number of directors shall not be less than 3 (three) and not be more than 15 (Fifteen), subject to the applicable provisions of the Companies Act, 2013.

As of the date of this Draft Red Herring Prospectus, our Company has 8 (Eight) Directors on the Board, 1 (one) as Managing Director, 1 (one) as Chairman and Non- Executive Director, 3 (Three) Non-Executive Directors, 3(Three) as Independent Directors There are 3 (Three) woman directors in our Board.

The following table sets forth the details regarding our Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name, Father's, Age, Designation, Address, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre-Issue)	Other Directorships
1.	<p><b>Mr. M Gautam</b></p> <p><b>Father Name:</b> Parasmal Mahendra Kumar</p> <p><b>Date of Birth:</b> 19/12/1993</p> <p><b>Age:</b> 29 Years</p> <p><b>Designation:</b> Managing Director</p> <p><b>Address:</b> N No. 45., O No. 16, Dr. Alagappa Road, Purasawalkam, Flowers Road, Chennai-600084, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Qualifications:</b> Bachelor of Commerce</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 10314526</p>	Originally appointed on the Board as Managing Director w.e.f. September 15, 2023.	Nil	NIL
2.	<p><b>Mr. Parasmal Mahendra Kumar</b></p> <p><b>Father Name:</b> Mr. Misrilal Parasmal Jain</p> <p><b>Date of Birth:</b> 16/08/1966</p> <p><b>Age:</b> 57 Years</p> <p><b>Designation:</b> Chairman cum Non-Executive Director</p> <p><b>Address:</b> N No. 45., O No. 16, Dr. Alagappa Road, Purasawalkam, Flowers Road, Chennai-600084, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Qualifications:</b> Chartered Accountant</p> <p><b>Nationality:</b> Indian</p>	Originally appointed on the Board as Non-Executive Director w.e.f. May 05, 2011.  Further designated as Chairman cum w.e.f. September 15, 2023	8,40,778 Equity Shares; 6.56% of Pre - Issue Paid up capital	<ul style="list-style-type: none"> <li>➤ Reliable Stocks and Shares (India) Limited</li> <li>➤ Swashtik Preforms Private Limited</li> </ul>



Sr. No.	Name, Father's, Age, Designation, Address, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre-Issue)	Other Directorships
	<b>DIN:</b> 00163647			
3.	<p><b>Mr. Parasmal Ravindra Kumar</b></p> <p><b>Father Name:</b> Mr. Parasmal</p> <p><b>Date of Birth:</b> 11/08/1969</p> <p><b>Age:</b> 54 Years</p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Address:</b> N No. 45., O No. 16, Dr. Alagappa Road, Purasawalkam, Flowers Road, Chennai-600084, India.</p> <p><b>Occupation:</b> Professional</p> <p><b>Qualifications:</b> Cost and Work Accountant (CWA)</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 00666885</p>	Originally appointed on the Board as Non-Executive Director w.e.f. May 05, 2011.	8,40,778 Equity Shares; 6.56% of Pre - Issue Paid up capital	<ul style="list-style-type: none"> <li>➤ Sri Baba Pet Bottles Private Limited</li> <li>➤ Paras Stocks Private Limited</li> <li>➤ Reliable Stocks and Shares (India) Limited</li> <li>➤ Swashtik Preforms Private Limited</li> </ul>
4.	<p><b>Mrs. Mahendrakumar Nirmala</b></p> <p><b>Father Name:</b> Mr. Multhanmal Pukhraj Jain</p> <p><b>Date of Birth:</b> 18/06/1968</p> <p><b>Age:</b> 55 Years</p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Address:</b> N No. 45., O No. 16, Dr. Alagappa Road, Purasawalkam, Flowers Road, Chennai-600084, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Qualifications:</b> Higher Senior Secondary</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 03174030</p>	Appointed as Non-Executive Director w.e.f. May 05, 2011	26,35,267 Equity Shares; 20.55% of Pre- Issue Paid up capital	<ul style="list-style-type: none"> <li>➤ Swashtik Preforms Private Limited</li> </ul>
5.	<p><b>Mrs. Sujathaa Mehta</b></p> <p><b>Father Name:</b> Mr. Sarupchand Jamad</p> <p><b>Date of Birth:</b> 26/08/1973</p> <p><b>Age:</b> 50 Years</p> <p><b>Designation:</b> Non-Executive Director</p>	<p>Appointed as Additional Director w.e.f. October 15, 2021.</p> <p>Further, designated as Non-Executive</p>	15,70,032 Equity Shares; 12.24% of Pre- Issue Paid up capital	<ul style="list-style-type: none"> <li>➤ Swashtik Preforms Private Limited</li> <li>➤ Wolfpack Outdoors Private Limited</li> <li>➤ Aurum Bullion Private Limited</li> </ul>

Sr. No.	Name, Father's, Age, Designation, Address, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre-Issue)	Other Directorships
	<p><b>Address:</b> Old No.157-158/11, New No. 239-241/11, Sydenhams Road, Periamet, Park town, Chennai - 600003, Tamil Nadu India.</p> <p><b>Occupation:</b> Business</p> <p><b>Qualifications:</b> Bachelor of Arts</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 06822171</p>	Director w.e.f. September 30, 2022.		<ul style="list-style-type: none"> <li>➤ Viw Vaccine World Private Limited</li> <li>➤ Ever Raise Solar Private Limited</li> <li>➤ Cerise Solar Private Limited</li> <li>➤ Mehta &amp; Mehta Green Power Private Limited</li> </ul>
6.	<p><b>Mr. Sheetal Shah</b></p> <p><b>Father Name:</b> Mr. Ummedmal Shah</p> <p><b>Date of Birth:</b> 28/03/1976</p> <p><b>Age:</b> 47 Years</p> <p><b>Designation:</b> Non-Executive Independent Director</p> <p><b>Address:</b> 47, First Floor Krishnappa Tank Street, Near Thirupalli Street, Sowcarpet, Chennai G.P.O, Chennai-600001, Tamil Nadu, India.</p> <p><b>Occupation:</b> Professional</p> <p><b>Qualifications:</b> Practicing Chartered Accountant</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 10302403</p>	Appointed as Independent Director w.e.f. September 15, 2023.	NIL	NIL
7.	<p><b>Mr. Mohanraj Perumal</b></p> <p><b>Father Name:</b> Mr. Perumal Ramanathan</p> <p><b>Date of Birth:</b> 24/11/1978</p> <p><b>Age:</b> 44 Years</p> <p><b>Designation:</b> Non-Executive Independent Director</p> <p><b>Address:</b> No. 4, Gandhi Street Ariyur Post, Ariyur, Pondicherry – 605102, India.</p> <p><b>Occupation:</b> Professional</p> <p><b>Qualifications:</b> Chartered Accountant</p> <p><b>Nationality:</b> Indian</p>	Appointed as Independent Director w.e.f. September 15, 2023.	NIL	NIL

Sr. No.	Name, Father's, Age, Designation, Address, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre-Issue)	Other Directorships
	<b>DIN:</b> 10302401			
8.	<p><b>Ms. Kavitha Gulacha</b></p> <p><b>Father Name:</b> Mr. Ugamchand Surana</p> <p><b>Date of Birth:</b> 10/06/1977</p> <p><b>Age:</b> 46 Years</p> <p><b>Designation:</b> Non-Executive Independent Director</p> <p><b>Address:</b> Door No. 141, Plot No. 12, 13 and 15, Bhomiya Kunj, Millenium Manthira, 5<sup>th</sup> Cross Street, Mangala Nagar, Porur, Tiruvallur, Tamilnadu-600116, India.</p> <p><b>Occupation:</b> Professional</p> <p><b>Qualifications:</b> Chartered Accountant</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 09274403</p>	Appointed as Independent Director w.e.f. September 15, 2023.	NIL	<ul style="list-style-type: none"> <li>➤ Tamilnadu State Transport Corporation (Kumbakonam) Limited</li> <li>➤ Tamil Nadu State Transport Corporation (Villupuram) Limited</li> </ul>

## BRIEF PROFILE OF OUR DIRECTORS

### Mr. Mahendrakumar Gautam, Managing Director, Age: 29 Years

Mr. Mahendrakumar Gautam, aged 29 years is Managing Director of our Company. He holds Bachelor Degree in commerce and also passed the CA inter. He was appointed on the Board on September 15, 2023 as Managing Director of the Company for a period of 5 years, not liable to retire by rotation. He is having experience of 4 years in Pet Packaging industry. He has been instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His Vision to do business with ethics & to keep up with latest developments, Consistent Innovation in Technology and Management practices has helped him provide an overall growth for the company.

### Mr. Parasmal Mahendra Kumar, Chairman cum Non-Executive Director, Age: 57 Years

Mr. Parasmal Mahendra Kumar, aged 57 years is the Chairman cum Non-Executive Director and also Promoter of our Company. He is qualified Chartered Accountant from institute of Chartered Accountant of India. He was originally appointed as Non-Executive on the Board on May 05, 2011 and further designated as Chairman w.e.f. September 15, 2023. He is having experience of 15 years in Pet Packaging Industry.

### Mr. Parasmal Ravindra Kumar, Non-Executive Director, Age: 54 Years

Mr. Parasmal Ravindra Kumar, aged 54 years is Non-Executive Director and also Promoter of our Company. He was originally appointed as Non-Executive Director on the Board on May 05, 2011. He is qualified Cost and works Accountant from the Institute of Cost and works accountant of India having experience of 15 Years.

### Mrs. Nirmala Mahendrakumar, Non-Executive Director, Age: 55 Years

Mrs. Nirmala Mahendrakumar, aged 55 years is Non-Executive Director and also Promoter of our Company. She was originally appointed as Non-Executive Director on the Board on May 05, 2011. She holds Higher Secondary Certificates and having experience of 11 years.

**Mrs. Sujathaa Mehta, Non-Executive Director, Age: 50 Years**

Mrs. Sujathaa Mehta, aged 50 years is Non-Executive Director of our Company. She has completed her Bachelor of Arts from the University of Madras. She was originally appointed on the Board as Additional Director w.e.f. October 15, 2021 and further designated as Non-Executive Director w.e.f. September 30, 2022. She holds Bachelor Degree in Arts.

**Mr. Sheetal Shah, Independent Director, Age: 47 Years**

Mr. Sheetal Shah, aged 47 years, is the Independent Director of our Company. He holds Certificate of Practice issued by was appointed on the Board on September 15, 2023 as the Independent Director of the Company. She has expertise in the field Accountancy.

**Mr. Mohanraj Perumal, Independent Director, Age: 44 Years**

Mr. Mohanraj Perumal, aged 44 years, is the Independent Director of our Company. He is a qualified Chartered Accountant. He was appointed on the Board on September 15, 2023 as the Independent Director of the Company.

**Mrs. Kavitha Gulacha, Independent Director, Age: 46 Years**

Mrs. Kavitha Gulacha, aged 46 years, is the Independent Director of our Company. She is a qualified Chartered Accountant. She was appointed on the Board on September 15, 2023 as the Independent Director of the Company.

## CONFIRMATIONS

As on the date of this Draft Red Herring Prospectus:

- Except as disclosed below, none of the Directors and Senior Management of our Company are related to each other as per Section 2(77) of the Companies Act, 2013.
  - Mr. Parasmal Mahendra Kumar and Mr. Mahendrakumar Gautam who are related to each other as Father and Son
  - Mr. Parasmal Mahendra Kumar and Mr. Parasmal Ravindra Kumar are related to each other as brothers
  - Mr. Parasmal Mahendra Kumar and Mrs. Mahendrakumar Nirmala who are related as spouse to each other,
  - Mr. Mahendrakumar Gautam and Mrs. Mahendrakumar Nirmala is related to each other as mother and son
- There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors were selected as a director or member of senior management.
- The directors and senior management of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
- None of the Directors are categorized as a wilful defaulter or fraudulent borrower, as defined under Regulation 2(1)(III) of SEBI ICDR Regulations.
- None of our Directors are or were directors of any listed Company whose shares have been/were suspended from trading by any of the stock exchange(s) during his/her tenure in that Company in the last five years or delisted from the stock exchange(s) during the term of their directorship in such companies.
- None of our Directors have been declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, nor have been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- None of the Promoter or Directors has been or is involved as a promoter or director 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.

- No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce him to become or to help him qualify as a director, or otherwise for services rendered by him or by the firm, trust or company in which he is interested, in connection with the promotion or formation of our Company.

Except as disclosed in chapter titled “*Outstanding Litigations and Material Developments*” beginning on Page 195 of this Draft Red Herring Prospectus, there are no criminal cases filed or being undertaken with regard to alleged commission of any offence by any of our directors which also effected the business of our company and none of directors of our Company have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.

Further, our Company, our Promoters, persons forming part of our Promoter Group, Directors and person in control of our Company has/ have not been not debarred from accessing the capital market by SEBI or any other Regulatory Authority.

#### **DETAILS OF BORROWING POWERS**

Our Company has passed a Special Resolution in the Extra-ordinary General Meeting of the members held on September 15, 2023, authorizing the Board of Directors of the Company under Section 180 (1) (c) of the Companies Act, 2013 to borrow from time to time all such money as they may deem necessary for the purpose of business of our Company notwithstanding that money borrowed by the Company together with the monies already borrowed by our Company may exceed the aggregate of the paid up share capital and free reserves provided that the total amount borrowed by the Board of Directors shall not exceed the sum of Rs. 200 Crore (Rupees two hundred Crores only).

#### **REMUNERATION / COMPENSATION OF OUR DIRECTORS**

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

<b>Particulars</b>	<b>Mr. Mahendrakumar Gautam</b>
Appointment	September 15, 2023
Designation	Managing Director
Term of Appointment	5 Years
Remuneration Payable from FY 2023-24	₹ 2.75 per month
Remuneration paid for Year 2022-23	Nil
Remuneration paid from our Subsidiaries	Nil

#### **SITTING FEES**

The Articles of Association of our Company provides that payment of sitting fees to Directors (other than Managing Director) for attending a meeting of the Board or a Committee thereof shall be decided by the Board of Directors from time to time within the applicable maximum limits. Our Board of Directors has resolved in their meeting dated September 15, 2023 for payment to all Non-Executive Independent Directors for attending each such meeting of the Board or Committee thereof.

#### **ARRANGEMENTS WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS**

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

#### **SERVICE CONTRACTS**

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

#### **BONUS OR PROFIT-SHARING PLAN FOR OUR DIRECTORS**

We have no bonus or profit-sharing plan for our directors.

## CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO DIRECTORS

There is no contingent or deferred compensation payable to our directors, which does not form part of their remuneration.

## SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

Sr. No.	Name of Director	No. of Shares held	Holding in %
1.	Mr. Parasmal Mahendra Kumar	8,40,778	6.56
2.	Mr. Parasmal Ravindra Kumar	13,25,399	10.33
3.	Mr. Mahendrakumar Nirmala	26,35,267	20.55
4.	Mrs. Sujatha Mehta	15,70,032	12.24

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

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

## INTEREST OF DIRECTORS

All the Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board of Directors or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer - "Compensation of our Managing Director" above, under chapter titled "Our Management" beginning on page 151 of this Draft Red Herring Prospectus

Our directors may also be regarded as interested their shareholding and dividend payable thereon, if any, Our Directors are also interested to the extent of Equity Shares, if any held by them in our Company or held by their relatives.

Further our director may also be interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/Members/Partners. Further our directors may also be interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/Members/Partners.

All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any Company in which they hold Directorships or any partnership firm in which they are partners.

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

Except as stated in this section "Our Management" or the section titled "Restated Financial Statement - Related Party Transactions" beginning on page 151 and 177 respectively of this Draft Red Herring Prospectus, and except to the extent of shareholding in our Company, our directors do not have any other interest in our business.

### Interest in the property of Our Company

Except as disclosed above and in the chapters titled "Our Business" and "Restated Financial Statement – Related Party Transactions" and "History and Corporate Structure" on page 120, 177 and 146 respectively of this Draft Red Herring Prospectus, our Directors do not have any interest in any property acquired two years prior to the date of this Draft Red Herring Prospectus.

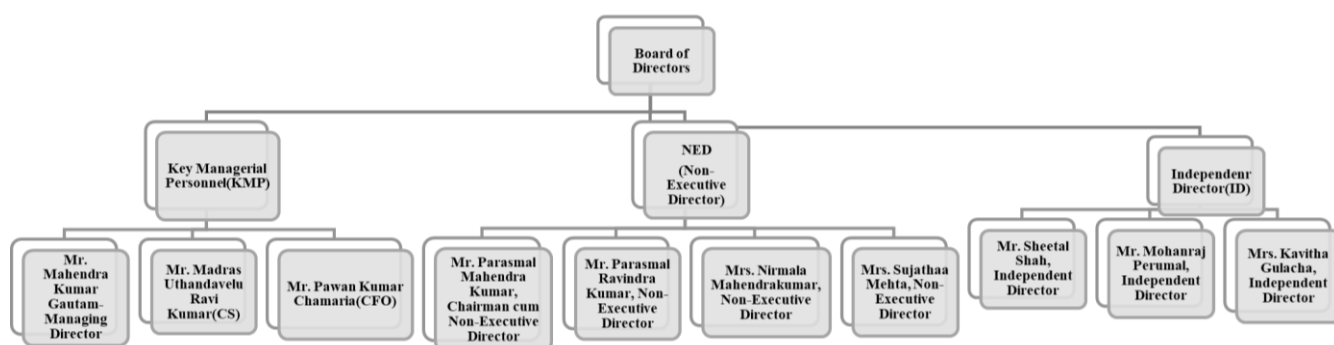
## CHANGES IN BOARD OF DIRECTORS IN LAST 3 YEARS

Sr. No.	Name	Date & Nature of Change	Reasons for Change
1.	Mrs. Sujathaa Mehta	Appointed as Additional Director w.e.f October 15, 2021.	To ensure better Corporate Governance
2.	Ms. Alpa Nitesh Shah	Appointed as Additional Director w.e.f October 15, 2021.	To ensure better Corporate Governance
3.	Mrs. Sujathaa Mehta	Re-designated as Non-Executive Director w.e.f., September 30, 2022	To ensure better Corporate Governance

Sr. No.	Name	Date & Nature of Change	Reasons for Change
4.	Ms. Alpa Nitesh Shah	Re-designated as Non-Executive Director w.e.f., September 30, 2022	To ensure better Corporate Governance
5.	Mr. Misrimal Parasmal	Resignation w.e.f March 29, 2023	Due to pre-occupancy
6.	Ms. Alpa Nitesh Shah	Resignation w.e.f March 29, 2023	Due to pre-occupancy
7.	Ms. Nainmaljain Anita	Resignation w.e.f March 29, 2023	Due to pre-occupancy
8.	Ms. Ravindra Kumar Asha Jain	Resignation w.e.f March 29, 2023	Due to pre-occupancy
9.	Mr. Mahendrakumar Gautam	Appointed as Managing Director w.e.f. September 15, 2023.	To ensure better Corporate Governance
10.	Mr. Parasmal Mahendra Kumar	Re-designated as Chairman w.e.f. September 15, 2023.	To ensure better Corporate Governance
11.	Mrs. Kavitha Gulacha,	Appointed as Independent Director w.e.f September 15, 2023.	To ensure better Corporate Governance
12.	Mr. Mohanraj Perumal	Appointed as Independent Director w.e.f September 15, 2023.	To ensure better Corporate Governance
13.	Mr. Sheetal Shah	Appointed as Independent Director w.e.f September 15, 2023	To ensure better Corporate Governance

## MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure: -



## COMPLIANCE WITH CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and SEBI (ICDR) Regulations, 2018 in respect of corporate governance will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the SME Platform of BSE Limited. The requirements pertaining to constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committees have been complied with.

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

Our Board of Directors consist of 8 (Eight) Directors on the Board, 1 (one) as Managing Director, 1 (one) as Chairman and Non- Executive Director, 3 (Three) Non-Executive Directors, 3(Three) as Independent Directors There are 3 (Three) woman directors in our Board.

Our Company has constituted the following committees:

### 1. Audit Committee

Our Company has constituted an Audit Committee (“Audit Committee”), vide Board Resolution dated September 15, 2023, as per the applicable provisions of the Section 177 of the Companies Act, 2013 and also to comply with Regulation 18 of SEBI Listing Regulations, 2015 applicable upon listing of the Company’s Equity shares on SME platform of BSE Limited, the constituted Audit Committee comprises following members:

<b>Name of the Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Mr. Mohanraj Perumal	Chairman	Non-Executive Independent Director
Mrs. Kavitha Gulacha	Member	Non-Executive Independent Director
Mr. Mahendrakumar Gautam	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries.

The Company Secretary & Compliance Officer of the Company will act as the Secretary of the Committee.

The scope of Audit Committee shall include but shall not be restricted to the following:

1. Overseeing the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approving payments 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:
  - i) Matters required to be included in the Director’s Responsibility Statement to be included in the Board’s report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - ii) Changes, if any, in accounting policies and practices and reasons for the same;
  - iii) Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv) Significant adjustments made in the financial statements arising out of audit findings;
  - v) Compliance with listing and other legal requirements relating to financial statements;
  - vi) Disclosure of any related party transactions;
  - vii) 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 issue document/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor’s independence and performance, and effectiveness of audit process;
8. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
9. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
10. Discussion with internal auditors any significant findings and follow up there on;



11. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
12. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
13. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
14. To review the functioning of the Whistle Blower mechanism;
15. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
16. Approval or any subsequent modification of transactions of the Company with related parties;
17. Scrutiny of inter-corporate loans and investments;
18. Valuation of undertakings or assets of the Company, wherever it is necessary;
19. Evaluation of internal financial controls and risk management systems;
20. Review of management discussion and analysis report, management letters issued by the statutory auditors, etc;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

*Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.*

*Explanation (ii): If the Issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.*

The Audit Committee enjoys following powers:

- i) To investigate any activity within its terms of reference.
- ii) To seek information from any employee.
- iii) To obtain outside legal or other professional advice.
- iv) To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review the following information:

- i) Management discussion and analysis of financial condition and results of operations;
- ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- iii) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iv) Internal audit reports relating to internal control weaknesses; and
- v) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- vi) statement of deviations: (a) half yearly statement of deviation(s) submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations. (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

22. 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.

### ***Meeting of Audit Committee and Relevant Quorum***

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

## **2. Stakeholders Relationship Committee**

Our Company has formed the Stakeholders Relationship Committee as per Regulation 20 of SEBI Listing Regulations, 2015 as amended vide Resolution dated September 15, 2023. The constituted Stakeholders Relationship Committee comprises the following:

<b>Name of the Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Mr. Mohanraj Perumal	Chairman	Non-Executive Independent Director
Mrs. Kavitha Gulacha	Member	Non-Executive Independent Director
Mr. Parasmal Mahendra Kumar	Member	Non-Executive Director

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

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

1. resolving the grievances of the security holders of the Company, 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 Company in respect of various services rendered by the registrar and share transfer agent;
4. review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
5. Formulate procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
6. approve, register, refuse to register transfer or transmission of shares and other securities;
7. sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
8. allotment and listing of shares;
9. authorise affixation of common seal of the Company;
10. issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
11. approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
12. dematerialize or rematerialize the issued shares;
13. ensure proper and timely attendance and redressal of investor queries and grievances;

14. carry out any other functions contained in the Companies Act, 2013 (including Section 178) and/or equity listing agreements (if applicable), as and when amended from time to time; and
15. further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

#### ***Meeting of Stakeholders' Relationship Committee and Relevant Quorum***

The stakeholders' Relationship committee shall meet once in a year. The quorum for a meeting of the Stakeholder's Relationship Committee shall be two members present.

### **3. Nomination and Remuneration Committee**

Our Company has formed the Nomination and Remuneration Committee as per Regulation 19 of SEBI Listing Regulations, 2015 as amended vide Resolution dated September 15, 2023. The Nomination and Remuneration Committee comprise the following:

<b>Name of the Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Mr. Mohanraj Perumal	Chairman	Non-Executive Independent Director
Mrs. Kavitha Gulacha	Member	Non-Executive Independent Director
Mrs. Sheetal shah	Member	Non-Executive Independent Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee.

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

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. 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:
  - i) use the services of an external agencies, if required;
  - ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - iii) consider the time commitments of the candidates.
3. formulation of criteria for evaluation of Independent Directors and the Board;
4. devising a policy on Board diversity;
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 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.

#### ***Meeting of Nomination and Remuneration Committee and Relevant Quorum***

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

## **POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING**

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME platform of BSE Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges.

The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

## **POLICY FOR DETERMINATION OF MATERIALITY & MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS**

The provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on listing of Equity Shares on the SME platform of BSE Limited. The Board of Directors at their meeting held on September 15, 2023 have approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.

## **KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel and senior management of our Company:

<b>Name, Designation &amp; Educational Qualification</b>	<b>Age (Year)</b>	<b>Date of joining as KMP</b>	<b>Compensation paid for the F.Y ended 2023 (in Rs Lakhs)</b>	<b>Over all experience (in years)</b>	<b>Previous employment</b>
<b>Name: Mr. Mahendrakumar Gautam</b> <b>Designation: Managing Director</b> <b>Educational Qualification: B.com</b>	29	Managing Director w.e.f. September 15, 2023	Nil	4 Years	-
<b>Name: Mr. Pawan Kumar Chamaria</b> <b>Designation: Chief Financial Officer</b> <b>Educational Qualification: B.com</b>	51	Appointed on September 15, 2023.	Nil	Nil	Self Employed
<b>Name: Mr. Madras Uthandavelu Ravi Kumar</b> <b>Designation: Company Secretary &amp; Compliance Officer</b> <b>Educational Qualification: Qualified Company Secretary</b>	62	Appointed on June 16, 2023.	Nil	Nil	-

### **BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL**

#### **1. Mr. Mahendrakumar Gautam, Managing Director, Age: 29 Years**

Mr. Mahendrakumar Gautam, aged 29 years is Managing Director of our Company. He holds Bachelor Degree in commerce and also passed the CA inter. He was appointed on the Board on September 15, 2023 as Managing Director of the Company for a period of 5 years, not liable to retire by rotation. He is having experience of 4 years in Pet Packaging industry. He has been instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company.

## **2. Mr. Pawan Kumar Chamaria. Chief Financial Officer, Age: 51 Years**

Mr. Pawan Kumar Chamaria is Chief Financial Officer of our Company. He holds Bachelor Degree in Commerce and has completed his Diploma in Software Technology & Systems Management. He looks after the Finance matters of our Company. He joined our Company on September 15, 2023.

## **3. Mr. Madras Uthandavelu Ravi Kumar, Company Secretary and Compliance Officer, Age: 62 Years**

Mr. Madras Uthandavelu Ravi Kumar is Company Secretary and Compliance Officer of our Company. He is qualified Company Secretary from institute of Company Secretaries of India. He looks after the secretarial matters of our Company. He joined our Company on June 16, 2023.

### **SENIOR MANAGEMENT**

All the Senior Management are permanent employees of our Company.

In addition to the Company Secretary and Compliance Officer and the Chief Financial Officer of our Company, whose details are provided in - "*Key Managerial Personnel*" on page 146, the details of our other Senior Management are set out below:

**R Ananth** is the Factory Manager of our company. He has been associated with our company since June 2016. He has completed his Diploma in Electrical and Electronics Engineering in the year 1991, Masters Program in Business Administration (MBA) in Operations Management & Retail Management in the year 2011. He previously worked with Narang Plastics Private Limited, Manjushree Extrusions Limited as Senior Production Manager, Pearl Polymers Limited as Production Manager, Garden Polymers Private Limited as Senior Manager-Works and Trimurthi Polymers as Unit Head. He has around 15 years of Experience in the field of PET industry.

**Shrihari Laxman Pujari** is the Quality Control Head of our company. He has completed his Bachelor of Engineering in the year 1986 from the Gulbarga University, Masters of Management Sciences from the University of Pune in the year 1999. He was previously worked with Weener Empire Plastics Private Limited. He has around 5 years of experience in the field of PET industry.

### **RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL**

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

#### **We confirm that:**

- a. All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- b. There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above-mentioned Key Managerial Personnel have been recruited.
- c. None of our KMPs except Mr. Mahendrakumar Gautam is also part of the Board of Directors.
- d. In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the period ended March 31, 2023.
- e. Except for the terms set forth in the appointment Letters the Key Managerial Personnel have not entered into any
- f. other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- g. Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- h. None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Draft Red Herring Prospectus.
- i. Presently, we do not have ESOP/ESPS scheme for our employees.
- j. The turnover of KMPs is not high, compared to the Industry to which our Company belongs.

### Payment of Benefits to Officers of our Company (non-salary related)

Except for any statutory payments made by our Company upon termination of services of its officer or employees, our Company has not paid any sum, any non-salary amount or benefit to any of its officers or to its employees including amounts towards super annuations, ex-gratia/rewards.

### Changes in the Key Managerial Personnel in last three years:

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

Sr. No.	Name	Designation	Date of Appointment/Cessation/Promotion/Transfer	Reasons
1.	Mr. Mahendrakumar Gautam	Managing Director	Appointed as Managing Director in meeting held on September 15, 2023	To ensure better Corporate Governance
2.	Mr. Pawan Kumar Chamaria	Chief Financial Officer	Appointed w.e.f. September 15, 2023.	To ensure better Corporate Governance
3.	Mr. Madras Uthandavelu Ravi Kumar	Company Secretary and Compliance Officer	Appointed w.e.f. June 16, 2023.	To ensure better Corporate Governance

### SERVICE CONTRACTS WITH KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Our Key Managerial Personnel and senior management have not entered into any service contracts with our Company which provide for any benefits upon termination of their employment in our Company.

### SERVICE CONTRACTS WITH KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Our Key Managerial Personnel and senior management have not entered into any service contracts with our Company which provide for any benefits upon termination of their employment in our Company.

### INTEREST OF KEY MANAGERIAL PERSONNEL IN OUR COMPANY

Apart from shares held in the Company, and to the extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our Key managerial personal are interested in our Company.

Except as provided in this Draft Red Herring Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (two) years from the date of this Draft Red Herring Prospectus in which the Key Managerial Personnel are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

For the details unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to “*Note No.31 - Statement of Related Party Transaction*” under chapter “*Restated Financial Statement*” on page 177 of this Draft Red Herring Prospectus.

### ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS/ CUSTOMERS/ SUPPLIERS

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel and senior management have been selected as the Key Managerial Personnel and senior management of our Company.

### BONUS OR PROFIT-SHARING PLAN OF KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT

There is no profit-sharing plan for the Key Managerial Personnel and senior management. However, our Company provides performance linked bonus payments, in accordance with their terms of appointment.

## **CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

There is no contingent or deferred compensation payable to our Directors, Key Managerial Personnel and senior management, which does not form part of their remuneration.

## **EMPLOYEE SHARE PURCHASE AND EMPLOYEE STOCK OPTION PLAN**

Our Company does not have an employee stock option scheme as on the date of this Draft Red Herring Prospectus.

## **OTHER BENEFITS TO OUR KEY MANAGERIAL PERSONNEL**

Except as stated in this Draft Red Herring Prospectus, there are no other benefits payable to our Key Managerial Personnel.

## **ATTRITION OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**



The attrition of Key Managerial Personnel and senior management is not high in our Company compared to the industry.

## OUR PROMOTER AND PROMOTER GROUP




Mr. Parasmal Mahendra Kumar, Mr. Parasmal Ravindra Kumar, Mr. Parasmal Dharmendra Kumar, Mr. Misrilal Parasmal, Mrs. P Umrao, Mrs. Mahendrakumar Nirmala, Mrs. R Asha Jain and Mrs. D Anita are the Promoters of our Company.




As on the date of this Draft Red Herring Prospectus, Mr. Parasmal Mahendra Kumar, Mr. Parasmal Ravindra Kumar, Mr. Parasmal Dharmendra Kumar, Mr. Misrilal Parasmal, Mrs. P Umrao, Mrs. Mahendrakumar Nirmala, Mrs. R Asha Jain and Mrs. D Anita are holding 76,94,877 Equity Shares which constitute 60.00% of the issued and paid-up Equity Share capital of our Company. Our Promoters and Promoter Group will continue to hold the majority of our post- Issue paid-up equity share capital of our Company.

### Details of our Promoters: -

	<b>Mr. Parasmal Mahendra Kumar, Chairman cum Non-Executive Director</b>	
	<b>Qualification</b>	Chartered Accountant
	<b>Date of Birth</b>	16/08/1966
	<b>Age</b>	57 Years
	<b>Address</b>	New No.45., Old No. 16, Dr. Alagappa Road, Purasawalkam, Flowers Road, Chennai, Tamil Nadu-600084, India.
	<b>Experience</b>	15 Years
	<b>Occupation</b>	Business
	<b>Permanent Account Number</b>	AADPK8051A
	<b>Passport Number</b>	V1294856
	<b>No. of Equity Shares held in SPL [% of Shareholding (Pre-Issue)]</b>	8,40,778 Equity Shares of ₹ 10 each; 6.56% of Pre- Issue Paid up capital
	<b>DIN</b>	00163647
	<b>Other Interests</b>	<b>HUF:</b> M. Parasmal HUF Mahendra Kumar Parasmal HUF
		<b>Mr. Parasmal Ravindra Kumar, Non-Executive Director</b>
<b>Qualification</b>		Cost and Works Accountant
<b>Date of Birth</b>		11/08/1969
<b>Age</b>		54 Years
<b>Address</b>		New No.45, Old No. 16, Dr. Alagappa Road, Purasawalkam, Flowers Road, Chennai, Tamil Nadu-60084, India
<b>Experience</b>		15 Years
<b>Occupation</b>		Business
<b>Permanent Account Number</b>		AADPK2322E
<b>Passport Number</b>		V1813963
<b>No. of Equity Shares held in SPL [% of Shareholding (Pre-Issue)]</b>		13,25,399 Equity Shares of ₹ 10 each; 10.33% of Pre- Issue Paid up capital
<b>DIN</b>		00666885
<b>Other Interests</b>		<b>Companies:</b> Paras Stocks Private Limited Reliable Stocks and Shares (India) Limited  <b>HUF:</b> M. Parasmal HUF Ravindra Kumar Parasmal HUF
		<b>Mr. Parasmal Dharmendra Kumar</b>
	<b>Qualification</b>	Bachelor of Commerce
	<b>Date of Birth</b>	18/02/1972
	<b>Age</b>	51 Years



	<b>Address</b>	New No.45, Old No. 16, Dr. Alagappa Road, Purasawalkam, Flowers Road, Chennai, Tamil Nadu-600084, India
	<b>Experience</b>	NA
	<b>Occupation</b>	Business
	<b>Permanent Account Number</b>	AADPK2323F
	<b>Passport Number</b>	V3515070
	<b>No. of Equity Shares held in SPL[% of Shareholding (Pre Issue)]</b>	50,000 Equity Shares of ₹ 10 each; 0.39% of Pre- Issue Paid up capital
	<b>DIN</b>	NA
	<b>Other Interests</b>	<p><b>Companies:</b> Paras Stocks Private Limited Reliable Stocks and Shares (India) Limited</p> <p><b>HUF:</b> M. Parasmal HUF Dharmendra Kumar Parasmal HUF</p>
<b>Mr. Misrilal Parasmal</b>		
	<b>Qualification</b>	Bachelor of Commerce
	<b>Date of Birth</b>	10/03/1944
	<b>Age</b>	79 Years
	<b>Address</b>	New No.45, Old No. 16, Dr. Alagappa Road, Purasawalkam, Flowers Road, Chennai, tamil Nadu-600084, India
	<b>Experience</b>	11 Years
	<b>Occupation</b>	Business
	<b>Permanent Account Number</b>	AACPP2841C
	<b>Passport Number</b>	V3515891
	<b>No. of Equity Shares held in SPL [% of Shareholding (Pre-Issue)]</b>	50,000 Equity Shares of ₹ 10 each; 0.39% of Pre- Issue Paid up capital
	<b>DIN</b>	NA
<b>Other Interests</b>	<p><b>Companies:</b> Sri Baba Pet Bottles Private Limited Prithvi Stocks and Shares Private Limited</p> <p><b>HUF:</b> M. Parasmal HUF</p>	
<b>Mrs. P Umrao</b>		
	<b>Qualification</b>	NA
	<b>Date of Birth</b>	30/06/1947
	<b>Age</b>	76 Years
	<b>Address</b>	New No.45, Old No. 16, Dr. Alagappa Road, Purasawalkam, Flowers Road, Chennai, tamil Nadu-600084, India
	<b>Experience</b>	NA
	<b>Occupation</b>	Business
	<b>Permanent Account Number</b>	AAAPU4985E
	<b>Passport Number</b>	V3515048
	<b>Driving License Number</b>	NA
	<b>No. of Equity Shares held in SPL[% of Shareholding (Pre Issue)]</b>	3,60,000 Equity Shares of ₹ 10 each; 2.81% of Pre- Issue Paid up capital
<b>DIN</b>	NA	
<b>Other Interests</b>	<p><b>Companies:</b> Sri Baba Pet Bottles Private Limited</p> <p><b>HUF:</b> M. Parasmal HUF</p>	

	<b>Mrs. Mahendrakumar Nirmala, Non-Executive Director</b>	
	<b>Qualification</b>	Higher Secondary
	<b>Date of Birth</b>	18/06/1968
	<b>Age</b>	55 Years
	<b>Address</b>	New No.45, Old No. 16, Flowers Road, Dr. Alagappa Road, Purasaiwakkam, Chennai India
	<b>Experience</b>	11 Years
	<b>Occupation</b>	Business
	<b>Permanent Account Number</b>	AABPN2842C
	<b>Passport Number</b>	X8735798
	<b>No. of Equity Shares held in SPL [% of Shareholding (Pre-Issue)]</b>	26,35,267 Equity Shares of ₹ 10 each; 20.55% of Pre- Issue Paid up capital
	<b>DIN</b>	03174030
	<b>Other Interests</b>	<b>HUF:</b> Mahendra Kumar Parasmal HUF  <b>Partnership Firms:</b> Srinivas Packaging Swashtik Pet Packaging
	<b>Mrs. R Asha Jain</b>	
	<b>Qualification</b>	Secondary
	<b>Date of Birth</b>	15/12/1971
	<b>Age</b>	51 Years
	<b>Address</b>	New No.45, Old No. 16, Flowers Road, Dr. Alagappa Road, Purasaiwakkam, Chennai India
	<b>Experience</b>	11 Years
	<b>Occupation</b>	Business
	<b>Permanent Account Number</b>	AACPJ780F
	<b>Passport Number</b>	V1814351
	<b>No. of Equity Shares held in SPL [% of Shareholding (Pre-Issue)]</b>	13,03,433 Equity Shares of ₹ 10 each; 10.16% of Pre- Issue Paid up capital
	<b>DIN</b>	NA
	<b>Other Interests</b>	<b>HUF:</b> Ravindra Kumar Parasmal HUF  <b>Partnership Firms:</b> Srinivas Packaging Swashtik Pet Packaging
	<b>Mrs. D Anita</b>	
	<b>Qualification</b>	Secondary
	<b>Date of Birth</b>	21/03/1973
	<b>Age</b>	50 Years
	<b>Address</b>	New No.45, Old No. 16, Flowers Road, Dr. Alagappa Road, Purasaiwakkam, Chennai India
	<b>Experience</b>	11 Years
	<b>Occupation</b>	Business
	<b>Permanent Account Number</b>	AAEPK79144M
	<b>Passport Number</b>	S7979552
	<b>No. of Equity Shares held in SPL [% of Shareholding (Pre-Issue)]</b>	11,30,000 Equity Shares of ₹ 10 each; 8.81. % of Pre- Issue Paid up capital
	<b>DIN</b>	NA
	<b>Other Interests</b>	<b>HUF:</b> Dharmendra Kumar Parasmal HUF

## DECLARATION

- We confirm that the Permanent Account Number, Bank Account number, Passport number, Aadhaar Card number of our Promoter have been submitted to the Stock Exchange at the time of filing of the Draft Prospectus with the Stock Exchange.
- Our Promoter and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters or fraudulent borrowers by the RBI or any other governmental authority.
- Our Promoter have not been declared as a fugitive economic offender under the provisions of section 12 of the Fugitive Economic Offenders Act, 2018.
- No violations of securities law have been committed by our Promoter or members of our Promoter Group or any Group Companies in the past or is currently pending against them. None of (i) our Promoter and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group Companies (ii) the Companies with which any of our Promoter are or were associated as a promoter, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

Present Promoters of Our Company are Mr. Parasmal Mahendra Kumar, Mr. Parasmal Ravindra Kumar, Mr. Parasmal Dharmendra Kumar, Mr. Misrilal Parasmal, Mrs. P Umrao, Mrs. Mahendrakumar Nirmala, Mrs. R Asha Jain and Mrs. D Anita. Initial subscribers to the MoA of our Company were Mrs. D Anita, Mr. Yeshpal Shivani, Mrs. Mahendrakumar Nirmala, Mrs. R Asha Jain, Mr. Ramnath Ashok Pappa, Mr. Misrimal Parasmal, Mr. Parasmal Ravindra Kumar, Mr. Ramnath Ashok and Mr. Vijayakumar Chainraj Jain. For details of the shareholding acquired by the current promoter of our Company refer the capital buildup of our Promoter under chapter “*Capital Structure*” beginning on page 67 of this Draft Red Herring Prospectus.

## UNDERTAKING/ CONFIRMATIONS

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

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

No material regulatory or disciplinary action is taken by any by a stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.

There are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.

The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 195 of this Draft Red Herring Prospectus.

None of our Promoters, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the promoter group members nor our Group Company have been declared as a willful defaulter or a fraudulent borrower by the RBI or any other government authority nor there are any violations of securities laws committed by them in the past and no proceedings for violation of securities laws are pending against them.

## COMMON PURSUITS/ CONFLICT OF INTEREST

Except Swashtik Preforms Private Limited, Swashtik Polimers and Swashtik Industries Sri Baba Pet Bottles Private Limited, Srinivas Packaging and Swashtik Pet Packaging, there are no other entity/ Group Companies which are engaged in similar line of business as our Company as on date of this Draft Red Herring Prospectus.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

#### **INTEREST IN PROMOTION OF OUR COMPANY**

The Promoters are interested to the extent of their shareholding in the Company, and any dividend and distributions which may be made by the Company in future. The related party transactions are disclosed in “Financial information of our company” and “*Our Management – Interest of Directors*” and “*Our Management – Interest of Key Managerial Personnel*” on pages 151 & 151 of this Draft Red Herring Prospectus, respectively.

#### **INTEREST IN THE PROPERTY OF OUR COMPANY**

Except as mentioned in this Draft Red Herring Prospectus, our Promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us till date of filing the Prospectus with RoC.

#### **OTHER INTEREST OF PROMOTERS**

Our Promoters Mr. Parasmal Mahendra Kumar, Mr. Parasmal Ravindra Kumar, Mr. Parasmal Dharmendra Kumar, Mr. Misrilal Parasmal, Mrs. P Umrao, Mrs. Mahendrakumar Nirmala, Mrs. R Asha Jain and Mrs. D Anita are interested to the extent of their shareholding and shareholding of their relatives in our Company. Our Promoter Mr. Parasmal Mahendra Kumar, Mr. Parasmal Ravindra Kumar and Mrs. Mahendrakumar Nirmala who are also the Chairman cum Non-Executive Director and Non-Executive Directors respectively of our Company may be deemed to be interested to the extent of their remuneration, as per the terms of their appointment and reimbursement of expenses payable to them. Our Promoters may also be deemed interested to the extent of any unsecured loan given/taken by them to/from our Company.

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

#### **EXPERIENCE OF PROMOTERS IN THE LINE OF BUSINESS**

Our Promoters Mr. Parasmal Mahendra Kumar, Mr. Parasmal Ravindra Kumar, Mr. Misrilal Parasmal, Mrs. Mahendrakumar Nirmala, Mrs. R Asha Jain and Mrs. D Anita have experience of 15 years, 15 years, 11 years, 11 years, years 11 years, 11 years & 11 years respectively. The Company shall also endeavor to ensure that relevant professional help is sought as and when required in the future.

#### **RELATED PARTY TRANSACTIONS**

For the transactions with our Promoter Group entities please refer to section titled “Note No. 31 Restated Statement of Related Party Transactions” under chapter titled “*Restated Financial Statements*” on page 177 of this Draft Red Herring Prospectus.

Except as stated in “Note No. 31 Restated Statement of Related Party Transactions” beginning under chapter titled “*Restated Financial Statements*” on page 177 of this Draft Red Herring Prospectus and as stated therein, our Promoters or any of the Promoter Group do not have any other interest in our business.

#### **PAYMENT OR BENEFIT TO PROMOTERS OF OUR COMPANY**

For details of payments or benefits paid to our Promoters, please refer to the chapter titled “*Our Management*” beginning on page 151 of this Draft Red Herring Prospectus. Also refer Note No. 31 on “*Restated Statement of Related Party Transactions*” under chapter titled “*Restated Financial Statements*” on page 177 of this Draft Red Herring Prospectus.

Companies / Firms from which the Promoter have disassociated themselves in the last (3) three years

Our Promoters has not disassociated themselves from any of the Companies, Firms or other entities during the last three years preceding the date of this Draft Red Herring Prospectus except transfer of shares of Swashtik Preforms Private Limited, Swashtik Poliemers and Swashtik Industries to our Company.

## OTHER VENTURES OF OUR PROMOTERS

Save and except as disclosed in this section titled “Our Promoters and Promoter Group” and “Our Group Company” beginning on page 167 & 175 respectively of this Draft Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests as on date of this Draft Red Herring Prospectus.

## LITIGATION DETAILS PERTAINING TO OUR PROMOTERS

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled “Outstanding Litigations and Material Developments” beginning on page 195 of this Draft Red Herring Prospectus.

## OUR PROMOTER GROUP

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

### 1. Natural Persons who are part of the Promoter Group

As per Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters), other than the Promoters, are as follows:

Relationship	Mr. Parasmal Mahendra Kumar	Mr. Parasmal Ravindra Kumar	Mr. Parasmal Dharmendra Kumar	Mr. Misrimal Parasmal
<b>Father</b>	Misrimal Parasmal	Misrimal Parasmal	Misrimal Parasmal	Late Misrilal
<b>Mother</b>	Parasmal Umrao	Parasmal Umrao	Parasmal Umrao	Late Bidam Bai
<b>Spouse</b>	Mahendrakumar Nirmala	Ravindra Asha Jain	Dharmendra Anita	Parasmal Umrao
<b>Brother</b>	Parasmal Ravindra Kumar	Parasmal Mahendra Kumar	Parasmal Mahendra Kumar	Late M Madanlal
				Late M Mohanlal
	Dharmendra Kumar	Dharmendra Kumar	Parasmal Ravindra Kumar	Late Hemraj Jain M M Mahaveerchand M Kishanlal
<b>Sister</b>	Varsha	Varsha	Varsha	Late Pisthabai
				Late M Kowsalya
				S. Chandrabai
				G. Shantha Bai
<b>Son</b>	Mahendrakumar Gautam	Ayushh	Mayankk Jain	Parasmal Mahendra Kumar
				Parasmal Ravindra Kumar
				Dharmendra Kumar
<b>Daughter</b>	Krupa	Lakshya Jain	Driti D Jain	Varsha
		Rakshita Jain	D Rashi Jain	
<b>Spouse's Father</b>	Pukhraj Bhasali	Late D Dharamchand Jain	Late Nainmal Jain	Late Mangilal Jain
<b>Spouse's Mother</b>	Kamala Bai	D Shankuntala Bai	Nainmal Sarala Bai	Late Dhaka Bai
<b>Spouse's Brother</b>	P Prakash	D Adarsh	Mahesh Kumar Jain	Late G.M Mangalchand Jain
	Mahesh		Dinesh Kumar Jain	G.M. Chainraj Jain
	Kishore P			
<b>Spouse's Sister</b>	Manjula Devi	Sonia Kankaria	Manju Devi	Sushila
	Usha Surana			Premlatha Jain
	Vanitha Gulecha			

<b>Relationship</b>	<b>Mrs. P Umrao</b>	<b>Mrs. Mahendrakumar Nirmala</b>	<b>Mrs. R Asha Jain</b>	<b>Mrs. D Anita</b>
<b>Father</b>	Late Mangilal Jain	Pukhraj Bhasali	Late D Dharamchand Jain	Late Nainmal Jain
<b>Mother</b>	Late Dhaka Bai	Kamala Bai	D Sakunthala Bai	Nainmal Sarala Bai
<b>Spouse</b>	Misrimal Parasmal	Parasmal Mahendra Kumar	Parasmal Ravindra Kumar	Dharmendra Kumar
<b>Brother</b>	Late G.M Mangalchand Jain	P Prakash Mahesh	D Adarsh	Mahesh Kumar Jain
	G.M. Chainraj Jain	Kishore P		Dinesh Kumar Jain
<b>Sister</b>	Sushila	Manjula Devi	Sonia Karnika	Manju Devi
	Premlatha Jain	Usha Surana		
		Vanitha Golecha		
<b>Son</b>	Parasmal Mahendra Kumar	Mahendrakumar Gautam	Ayushh	Mayanck Jain
	Parasmal Ravindra Kumar			
	Dharmendra Kumar			
<b>Daughter</b>	Varsha	Krupa	Lakshya Jain	Driti D Jain
			Rakshita Jain	D Rashi Jain
<b>Spouse's Father</b>	Late Misrilal	Misrimal Parasmal	Misrimal Parasmal	Misrimal Parasmal
<b>Spouse's Mother</b>	Late Bidam Bai	Parasmal Umrao	Parasmal Umrao	Parasmal Umrao
<b>Spouse's Brother</b>	Late M Madanlal	Parasmal Mahendra Kumar	Parasmal Mahendra Kumar	Parasmal Mahendra Kumar
	Late M Mohanlal	Parasmal Ravindra Kumar	Parasmal Ravindra Kumar	Parasmal Ravindra Kumar
	Late Hemraj Jain M	Dharmendra Kumar		
	M Mahaveerchand			
	M Kishanlal			
<b>Spouse's Sister</b>	Late Pisthabai	Varsha	Varsha	Varsha
	Late M Kowsalya			
	S. Chandrabai			
	G. Shantha Bai			

## 2. Corporate Entities or Firms forming part of the Promoter Group

As per Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:

- Swashtik Industries (Subsidiary)
- Swashtik Polimers (Subsidiary)
- Swashtik Preforms Private Limited (Subsidiary)
- Reliable Stocks and Shares (India) Limited
- Sri Baba Pet Bottles Private Limited
- Paras Stocks Private Limited
- M. Parasmal HUF
- Mahendra Kumar Parasmal HUF
- Ravindra Kumar Parasmal HUF
- Dharmendra Kumar Parasmal HUF
- Paras Investment
- Balaji Finance and Investments
- Prithvi Stocks and Shares Private Limited
- Srinivas Packaging
- Swashtik Pet Packaging

## **SHAREHOLDING OF THE PROMOTERS GROUP IN OUR COMPANY**

For details of shareholding of members of our Promoters Group as on the date of this Draft Red Herring Prospectus, please see the chapter titled “*Capital Structure*” beginning on page 67 of this Draft Red Herring Prospectus.

## **COMPANIES WITH WHICH THE PROMOTERS HAVE DISASSOCIATED IN THE LAST THREE YEARS**

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Draft Red Herring Prospectus.

## **OUTSTANDING LITIGATIONS**

There is no other outstanding litigation against our Promoters except as disclosed in the section titled “*Risk Factors*” and chapter titled “*Outstanding Litigations and Material Developments*” beginning on pages 27 and 195 respectively of this Draft Red Herring Prospectus.

## **OUR GROUP COMPANY**

As per the SEBI ICDR Regulations, 2018 for the purpose of identification of Group Companies, our Company has considered companies covered under the Accounting Standard 18 as per Restated Financial Statements (other than our Subsidiary Company if any) and other companies considered material by our Board with which our Company has had related party transactions during the period for which financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board.

Pursuant to a resolution of our Board dated September 15, 2023 for the purpose of disclosure in relation to Group Companies in connection with the Issue, a company shall be considered material and disclosed as a Group Company if Such company forms part of the Promoter Group of our Company in terms of Regulation of the SEBI ICDR Regulations and Companies who entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10% of total revenue of the company as per Restated Financial Statements.

Based on the above, our Company does not have "Group Companies" in terms of the definition provided for above, as on date of this Draft Red Herring Prospectus.



## **DIVIDEND POLICY**

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares in last five years. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

**SECTION VII – FINANCIAL INFORMATION**

**RESTATED FINANCIAL STATEMENTS**

<b>Sr No.</b>	<b>Particulars</b>	<b>Page No</b>
1.	Restated Standalone Financial Statements	F-1 to F-31
2.	Restated Consolidated Financial Statements	F-1 to F-34

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## OTHER FINANCIAL INFORMATION

### On Standalone Basis

(Rs in Lakhs)

Particulars	As at 31st March		
	2023	2022	2021
Restated PAT as per P& L Account (Rs. in Lakhs)	302.19	13.01	6.91
<b>EBITDA</b>	592.54	250.05	150.02
<b>Actual No. of Equity Shares outstanding at the end of the period</b>	128.25	60.00	60.00
Weighted Average Number of Equity Shares at the end of the Period (Note -2)	60.56	60.00	60.00
Net Worth	2021.55	631.53	618.52
Current Assets	2679.32	1767.21	1722.66
Current Liabilities	2178.93	1409.77	1494.67
<b>Earnings Per Share</b>			
Basic EPS (Pre Bonus)	4.99	0.22	0.12
Eps (Post Bonus)	4.99	0.22	0.12
<b>Return on Net Worth (%)</b>	14.95%	2.06%	1.12%
<b>Net Asset Value Per Share</b>			
Pre Bonus	15.76	10.53	10.31
Post Bonus	15.76	10.53	10.31
<b>Current Ratio</b>	1.23	1.25	1.15
<b>EBITDA</b>	592.54	250.05	150.02
Nominal Value per Equity share(Rs.)	10.00	10.00	10.00

\* The Company does not have any diluted potential Equity Shares. Consequently, the basic and diluted profit/earning per share of the company remain the same.

### *Notes:*

**1) The ratios have been calculated as below:**

- a. Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the year.
  - b. Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the year.
  - c. Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100
  - d. Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the year/ Total Number of Equity Shares outstanding during the year.
- 2) Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. Further, number of shares are after considering impact of the bonus shares.
  - 3) Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.
  - 4) Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss)

**On Consolidated Basis**

**(Rs. In Lakhs)**

Particulars	As at 31st March
	2023
Restated PAT as per P& L Account (Rs. in Lakhs)	302.19
<b>EBITDA</b>	592.53
<b>Actual No. of Equity Shares outstanding at the end of the period</b>	128.25
Weighted Average Number of Equity Shares at the end of the Period (Note -2)	60.56
Net Worth	2037.09
Current Assets	7880.65
Current Liabilities	5999.06
<b>Earnings Per Share</b>	
Basic EPS (Pre Bonus)	4.99
Eps (Post Bonus)	4.99
<b>Return on Net Worth (%)</b>	14.83%
<b>Net Asset Value Per Share</b>	
Pre Bonus	15.88
Post Bonus	15.88
<b>Current Ratio</b>	1.31
<b>EBITDA</b>	592.53
Nominal Value per Equity share(Rs.)	10.00

\* The Company does not have any diluted potential Equity Shares. Consequently, the basic and diluted profit/earning per share of the company remain the same.

**Notes:**

**1) The ratios have been calculated as below:**

- a. Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the year.
- b. Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the year.
- c. Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100
- d. Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the year/ Total Number of Equity Shares outstanding during the year.

2) Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. Further, number of shares are after considering impact of the bonus shares.

3) Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.

**CAPITALISATION STATEMENT**

**ANNEXURE - XXIX: RESTATED STATEMENT OF CAPITALISATION AS AT MARCH 31, 2023**

**On Standalone Basis**

*(Rs. In Lakhs)*

Sr. No	Particulars	Pre issue	Post issue
	<b>Debts</b>		
A	Long Term Debt*	683.90	683.90
B	Short Term Debt*	905.69	905.69
C	<b>Total Debt</b>	<b>1589.59</b>	<b>1589.59</b>
	<b>Equity Shareholders Funds</b>		
	Equity Share Capital*	1282.48	[●]
	Reserves and Surplus*	739.07	[●]
D	<b>Total Equity</b>	<b>2021.55</b>	[●]
E	<b>Total Capitalization</b>	<b>3611.14</b>	[●]
	Long Term Debt/ Equity Ratio (A/D)	0.34	[●]
	Total Debt/ Equity Ratio (C/D)	0.79	[●]

\*Note: -

- 1) "The post issue figures are as on 31.03.2023"
- 2) "The post issue figures are not available since issue price is not yet finalized"

**On Consolidated Basis**

*(Rs. In Lakhs)*

Sr. No	Particulars	Pre issue	Post issue
	<b>Debts</b>		
A	Long Term Debt*	3013.31	3013.31
B	Short Term Debt*	2866.23	2866.23
C	<b>Total Debt</b>	<b>5879.54</b>	<b>5879.54</b>
	<b>Equity Shareholders Funds</b>		
	Equity Share Capital*	1282.48	[●]
	Reserves and Surplus*	754.61	[●]
D	<b>Total Equity</b>	<b>2037.09</b>	[●]
E	<b>Total Capitalization</b>	<b>7916.63</b>	[●]
	Long Term Debt/ Equity Ratio (A/D)	1.48	[●]
	Total Debt/ Equity Ratio (C/D)	2.89	[●]

\*Note: -

- 1) "The post issue figures are as on 31.03.2023"
- 2) "The post issue figures are not available since issue price is not yet finalized"

## FINANCIAL INDEBTEDNESS

Our Company has availed borrowings in the ordinary course of our business. Set forth below is a brief summary of our aggregate outstanding borrowings as on March 31, 2023\*:

Nature of Borrowing	Amount
Secured Borrowings	9,13,88,720.55
Unsecured Borrowings	6,75,70,445.00
<b>Total</b>	<b>15,89,59,166.31</b>

### DETAILS OF SECURED BORROWINGS:

Name of Lender	Sanction Date	Nature of the Facility	Amount Sanctioned	Amount outstanding as on March 31, 2023	Interest Rate and Security
YES BANK: CVL054200554299 - VEHICLE LOAN	22.08.2019	Vehicle loan	14,65,200	1,44,914	Rate of Interest -9.85% Security - Hypothecation of Vehicle
YES BANK: CVL054200554300 - VEHICLE LOAN	22.08.2019	Vehicle loan	1,20,000	11,871	Rate of Interest -9.86% Security - Hypothecation of Vehicle
YES BANK: CVL054200742210- VEHICLE LOAN	02.02.2021	Vehicle loan	20,60,000	10,30,497	Rate of Interest -8.40% Security - Hypothecation of Vehicle
YES Bank 103LA41230530001	22.02.2023	Adhoc Loan – CC		40,00,000	Rate of Interest -8.50% Security –For Cash Credit
HDFC Bank- 84706780	29.07.2020	Vehicle loan	21,65,000	8,20,408	Rate of Interest -8.65% Security - Hypothecation of Vehicle
HDFC Bank – 9988	31.12.2021	Vehicle loan	8,77,000	5,60,660	Rate of Interest – 8.01% Security – Hypothecation of Vehicle
YES Bank	04.12.2017	Cash Credit	6,00,00,000	8,48,20,370.55	Rate of Interest -9.5%
	21.09.2019		1,00,00,000		
	03.02.2020		1,00,00,000		
	23.03.2023		50,00,000		

### DETAILS OF UNSECURED BORROWINGS:

Name of Lender	Amount outstanding as on March 31, 2023 (₹ In Lakhs)	Interest Rate
Anitha Loan	39,58,417	12%
Asha Loan	24,77,618	12%
Asha Swashtik Group Loan and Expenses	20,293	12%
Ayusha - R	13,96,880	12%
Driti D Jain	33,705	12%
Gautam M	1,28,73,994	12%
Kawadd Polymers -Loan	26,92,943	12%
Lakshya Jain	9,20,115	12%
Mahendra Kumar. P	1,00,22,160	12%
Megha.P-Loan	15,48,240	12%
Mr.Dharmendar Kumar	82,07,434	12%
Mr.Dharmendar Kumar HUF	10,28,180	12%
Mr.Misrilal Parasmal HUF	40,37,942	12%
Mr.Parasmal Ravindrakumar HUF	22,99,000	12%
Nirmala Loan	1,68,000	12%
Parasmal Mahendrakumar HUF	49,68,433	12%

<b>Name of Lender</b>	<b>Amount outstanding as on March 31, 2023 (₹ In Lakhs)</b>	<b>Interest Rate</b>
P. Ravindrakumar	41,02,711	12%
Rakshita Jain	3,046	12%
Umrao P	25,73,375	12%
Varsha. P	34,37,906	12%
Vijay Kumar. C	6,70,219	12%
Y. Shivani Loan	1,29,835	12%
<b>Grand Total</b>	<b>6,75,70,446</b>	

*\*As certified by M/s. PSDY & Associates, Chartered Accountants through their certificate dated September 27, 2023*

## MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations for the financial years ended on 2023, 2022 and 2021 is based on, and should be read in conjunction with, our Restated Financial Statements, including the schedules, notes and significant accounting policies thereto, included in the chapter titled “Restated Financial Statements” beginning on page 177 of this Draft Red Herring Prospectus. Our Restated Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note.

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in this Prospectus. You should also read the section titled “Risk Factors” beginning on page 27 of this Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to “we”, “us” or “our” refers to Meson Valves India Limited, our Company. Unless otherwise indicated, financial information included herein are based on our “Restated Financial Statements” for the financial years ended on 2023, 2022 and 2021 included in this Prospectus beginning on page 177 of this Draft Red Herring Prospectus.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be “Forward Looking Statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

### BUSINESS OVERVIEW

Unless the context otherwise requires, in relation to business operations, in this chapter of this Draft Red Herring Prospectus, all references to “We”, “Us”, “Our” and “Our Company” are to Swashtik Plascon Limited as the case may be.

Our company is mainly engaged in the business of manufacturing of a wide range of PET Bottles and PET Preforms which includes PET Bottles for Pharmaceutical application, Liquor application, FMCG Packaging, House Hold applications, Dish wash liquid packaging, Repellent dispenser etc and PET Preforms for Soft Drinks bottles, Packaged Drinking Water bottle and Juice bottles.

Our company was originally formed on June 30, 2006 as a Partnership Firm under the name and style of “Swashtik Caps”. Subsequently, our company was converted into Private Limited Company vide certificate of incorporation dated May 05, 2011 bearing corporate identity no. U25209PY2011PTC002578 issued by the Registrar of Companies, Pondicherry. Subsequently, the company name was changed to Swashtik Plascon Private Limited pursuant to issuance of Fresh Certificate of Incorporation dated June 13, 2023 by Registrar of Companies, Pondicherry. Subsequently our Company was converted into Public Limited Company and name of company was changed from “Swashtik Plascon Private Limited” to “Swashtik Plascon Limited” vide fresh certificate of incorporation dated July 17, 2023 issued by the Registrar of Companies, Pondicherry.

**Our Company has a manufacturing facility, warehouses situated at:**

Particulars	Address
Registered Office and Manufacturing Unit	A75 - A76, PIPDIC Electronic Park, Thirubuvanai, Mannadipet Commune, Puducherry - 605107, Pondicherry, India.
Warehouse	Shed - B, RS. No. 143/1 And 40/13 at Erivaykal Road, Tiruvandarkoil Village, Mannadipet Commune Panchayat, Puducherry - 605102, Pondicherry, India.
Sales Depot	Tirunelveli No. 5/114 - A3, Sankaran Koil Road, Ramaiyanpatti, Tirunelveli - 627 358, Tamil Nadu.

Our Company manufactures Bottles and Preforms in Continuous Injection Stretch Moulding Machines with advanced Technology using 100% virgin food grade quality material. Production takes place in an enclosed dust proof environment with quality testing at regular intervals. The products are packed in CFC trays with POF shrink film & then carefully packed in corrugated boxes. Overall colour migration test, heavy metal testing and analysis is done to ensure



we give best quality finished products to our Valued Customers.

Our company has a well-equipped quality control lab with in house testing equipment's to test the capacity and quality of our products. Our finished products undergo strict quality check to ensure that they are of required quality as per the standards set. Our in-house testing team regulates and monitors the quality, safety and packaging of Bottles and Preforms.

There are also inhouse developed quality check procedures and the internationally standardized top-level quality check parameters in addition to the required standards. This allows us to guarantee that our customers get products of the highest quality. Our production plants are certified according to the ISO 9001 Quality management system. We also follow Food safety management system, Occupational health and safety protection management system, Energy management system for primary packaging materials for medicinal products.

As we have extensive experience with various types of technologies and materials, we offer our customers complete packaging solutions of containers and closures. We also manufacture Customized PET preforms & Bottles for our customers.

Our dynamic and Responsible Quality Head has multiple certifications and vast knowledge of process improvement ranging from Lean, Continuous Improvement, and Six Sigma. He is well versed in Quality systems and auditing, adept at providing guidance, leadership and support in the quality of products and operations. He ensures that all activities conform to applicable norms as well as follow company standards and requirements. He always makes sure operations adhere to goals, objectives and mission of the company. Our lab is equipped with all testing facilities required to ensure that all products meet all the standards and specifications.

Our Chairman and Managing Director, Mr. Parasmal Mahendra Kumar and Mr. Mahendrakumar Gautam has 15 and 4 years of experience in this industry thus vast experience of the Promoter has been instrumental in determining the vision and growth strategies for our Company. We further believe that our market position has been achieved by adherence to the vision of our Promoters and senior management team and their experience in the industry in which our Company operates.

Our Group comprises of 3 more companies namely M/s Swashtik Preforms Pvt Ltd. (100% subsidiary), M/s Swashtik Industries and M/s Swashtik Poliemers (Holding 99% partnership). We manufacture wide range of PET preforms for packaged Mineral Water Segment, Alcoholic & Non-Alcoholic Beverages, Jars, Edible Oil Segment, Pharmaceutical Bottles, Liquor Bottles, Pril Dish Washer Bottles, PET closures & we also are Blowing PET bottles based on customer requirements.

For the year ended March 31, 2023, our Company's Total Income and Restated Profit after tax were Rs. 4,589.10 Lakhs and Rs. 302.19 Lakhs. For the year ended March 31, 2022, our Company's Total Income and Restated Profit after tax were Rs. 4,986.51 Lakhs and Rs. 13.01 Lakhs, compared to our Company's Total Income and Restated Profit after tax were Rs. 3,533.97 Lakhs and Rs. 6.91 Lakhs respectively, over previous year ended i.e., March 31, 2021.

#### Key Performance Indicators of our Company:

##### On Standalone Basis

(Rs in lakhs)

Key Financial Performance*	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations <sup>(1)</sup>	4561.81	4947.29	3389.66
EBITDA <sup>(2)</sup>	619.84	289.27	294.32
EBITDA Margin <sup>(3)</sup>	13.58%	5.84%	8.68%
PAT	302.19	13.01	6.91
PAT Margin <sup>(4)</sup>	6.62%	0.26%	0.20%

Notes: \*As certified by M/s. PSDY & Associates, Chartered Accountants through their certificate dated September 27, 2023

(5) Revenue from operation means revenue from sales.

(6) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses

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

(8) PAT Margin is calculated as PAT for the period/year divided by revenue from operations

#### SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2023

In the opinion of the Board of Directors of our Company, since the date of the stub period as disclosed in this Draft Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

- Allotment of 19,17,010 Equity Shares on March 28, 2023 for consideration other than cash for acquiring of 99% of Partners capital of M/s. Swashthik Industries, A Partnership Firm.
- Allotment of 49,07,785 Equity Shares on March 28, 2023 for consideration other than cash for acquiring of 100% equity shares from shareholders of Swashthik Preforms Private Limited.
- The Board of our Company has approved to raise funds through Initial Public Offering in the board meeting held on September 15, 2023.
- The members of our Company approved proposal of Board of Directors to raise funds through initial public offering in the EOGM held on September 15, 2023.

## **FACTORS AFFECTING OUR RESULTS OF OPERATION**

Our business is subject to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” on page 27 beginning of this Draft Red Herring Prospectus.

Our Company’s future results of operations could be affected potentially by the following factors:

- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects;
- Our failure to keep pace with rapid changes in technology;
- Changes in laws and regulations relating to the Sector in which we operate;
- Our ability to retain our skilled personnel;
- Significant developments in India’s economic liberalization and deregulation policies, and the fiscal regime;
- Occurrence of natural disasters or calamities affecting the areas in which we have operations; and
- Volatility in the Indian and global securities markets.

## **SIGNIFICANT ACCOUNTING POLICIES**

### **Corporate Information**

**SWASHTHIK PLASCON LIMITED** (*the Company*) was incorporated on 05.05.2011. The Company is a limited company, domiciled in India and incorporated under the provisions of the Companies Act, 2013 and has its registered office at A73&74, PIPDIC Electronic Park Mannadipet Commune, Thirubhuvanai, Puducherry - 605 107. The Company is engaged in the business of Manufacture of plastic products under the trade name **SWASHTHIK PLASCON LIMITED**.

### **1. Basis of Preparation of Consolidated Financial Statements**

The financial statements have been prepared in conformity with the generally accepted accounting principles in India to comply with all material respects with the notified Accounting Standards under Section 133 of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year except for the change in accounting policies explained below. The complete restated financial statements have been prepared along with all disclosures.

### **2. Use of Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the

reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

### 3. Revenue Recognition

Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection. The absolute figures on the face of Financial Statements with respect to outward and inward supply is exclusive of all applicable taxes if any. Interest income on deposits and income bearing securities is recognized on time proportionate method.

### 4. Property, Plant & Equipment

Property, Plant & Equipment are stated at cost net of GST and includes amounts added on revaluation, less accumulated depreciation and impairment loss if any. All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the Property, Plant & Equipments are capitalised. Each part of an item of property, plant & equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

#### Assets where useful life is same as Schedule II

Asset	Useful Life (In Years)
Computers	3
Office Equipments	5
Electrical Equipment	5
Furniture & Fittings	10

### 5. Depreciation

Depreciation on Property, Plant & Equipment is provided to the extent of depreciable amount on Written Down value (WDV) method in the manner prescribed in Schedule II to the Companies Act, 2013 over their useful life.

### 6. Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment of loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in the prior accounting period is reversed if there has been a change in the estimate of recoverable value.

### 7. Foreign Currency transactions

- Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of transaction.
- Monetary items denominated in foreign currencies at the year-end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and the rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
- Non-monetary foreign currency items are carried at cost.
- Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long-term liabilities, where they relate to acquisition of Property, Plant & Equipments, in which case they are adjusted to the carrying cost of such assets.

### 8. Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

### 9. Taxation

Provision for Current tax is based on the liability computed in accordance with the relevant tax rates and tax laws. Minimum Alternate Tax (MAT) under the provisions of Income tax act, 1961 is recognised as current tax in the statement of Profit & Loss. The Credit available in respect of MAT is recognised as an asset only when and to the extent that there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability.

Provision for Deferred tax is made for timing differences arising between taxable income and accounting income computed at the rates enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only if there is a reasonable/ virtual certainty that they will be realised and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

## **10. Provisions and Contingent Liabilities and Contingent Assets**

A provision is recognized when the company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date and are not discounted to present value.

## **11. Employee Benefits**

### **Short Term**

Short term employee benefits are recognised as an expense as per the company's scheme based on expected obligations.

### **Post Retirement**

Post retirement benefits comprise of provident fund and gratuity which are accounted as follows:

#### **Provident Fund**

This is a defined contribution plan. Contributions remitted to provident fund authorities in accordance with the relevant statute/rules are charged to statement of profit and loss as and when due. The company has no further obligations other than its monthly contributions. Presently, the company has not deducted any amount towards Provident fund.

#### **Gratuity**

This is a defined benefit plan. The liability is determined based on actuarial valuation using projected unit credit method. Actuarial gains and losses, comprising of experience adjustments and the effects of changes in actuarial assumptions are recognised immediately in the statement of profit and loss. Presently, the company has recognized gratuity expenses based on the actuarial valuation report by Mr. Srinivasan Naga Subramanian dated 03rd August 2023. However, the company has recognized Gratuity reserve as liability in the Balance Sheet but not yet deposited in any gratuity trust fund.

#### **Compensated Absence**

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur. Presently, the company has not deducted any amount towards Compensated Absence. The company has not provided for the provision as per AS-15.

## **12. Earnings per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shareholders.

## **13. Cash and Cash Equivalent**

Cash and cash equivalents for the purposes of Receipts and Payments Account comprise of cash, cheques and Stamps in hand, Bank balances, Money-market instruments, Fixed deposits with original maturity of three months or less. Receipts and Payments Account is prepared and reported using the Direct Method in accordance with Accounting Standard (AS) 3, “Cash Flow Statements”.

## COMPONENTS OF INCOME AND EXPENDITURE

**Revenue from Sale of Services:** Revenue from operations mainly consists from Revenue from Sale of Products.

**Other Income:** Other Income Consist of Interest Income, Discount Received & Insurance Claim, Misc. Income etc.

**Expenses:** Company’s expenses consist of, Cost of Material Consumed, Purchase of Stock in Trade, Changes in Inventories of WIP, Finished goods & Stock in Trade, Employee benefit expenses, Finance Cost, Depreciation and Amortization expenses & Other Expenses.

**Cost of Material Consumed:** Cost of material consumed mainly consist Opening Stock of Raw Material, Purchase of Raw Material Less Closing Stock of Raw Material available at the end of reporting period.

**Purchase of Stock in Trade:** Purchase of Stock in Trade consist of Items purchase for Trading purpose only.

**Change in Inventory of WIP, Finished Goods & Stock in Trade:** Change in Inventory of WIP, Finished goods & Stock in Trade consist of Difference between opening & closing Stock.

**Employee Benefits Expense:** Employee benefit expenses includes Salaries and Wages, Executive Salary, Bonus, Labour charges, Staff welfare & Contribution to statutory funds etc.

**Finance Cost:** Finance Cost mainly consist of Interest on borrowings & other Finance Cost such as Loan processing fees, bank charges etc.

**Depreciation and Amortization Expense:** We recognize Depreciation and Amortization expense on a WDV Basis as per the rates set forth in the Companies Act, 2013/ Companies Act, 1956, as applicable.

**Other Expenses:** Other Expenses includes Audit Fees, Freight Charges, Electricity Charges, Maintenance charges, Consultant Fees, Security Charges, Administrative Expenses, Godown Rent, Repair to Machinery, Vehicle Maintenance etc.

## RESULTS OF OPERATIONS

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements of our Company for the financial years ended on 2023, 2022 and 2021:

### On Standalone Basis

Particulars	For the year ended					
	March 31, 2023	% of Total Income	March 31, 2022	% of Total Income	March 31, 2021	% of Total Income
Revenue from Operations	4561.81	99.41	4947.29	99.21	3389.66	95.92
Other Income	27.30	0.59	39.22	0.79	144.30	4.08
<b>Total Income (A)</b>	<b>4589.10</b>	<b>100.00</b>	<b>4986.51</b>	<b>100.00</b>	<b>3533.97</b>	<b>100.00</b>
<b>EXPENDITURE</b>						
Cost of Material Consumed	1626.57	35.44	3935.48	78.92	2589.67	73.28
Purchase of Stock in Trade	2016.54	43.94	0.00	0.00	0.00	0.00
Changes in inventories of Finished Goods, WIP and Traded Goods	(475.10)	-10.35	(9.37)	-0.19	(149.65)	-4.23
Employee benefits expense	361.59	7.88	325.49	6.53	300.59	8.51
Finance costs	176.95	3.86	155.83	3.13	161.56	4.57
Depreciation and amortization expense	96.08	2.09	110.30	2.21	112.88	3.19
Other expenses	439.67	9.58	445.64	8.94	499.03	14.12
<b>Total Expenses (B)</b>	<b>4242.30</b>	<b>92.44</b>	<b>4963.36</b>	<b>99.54</b>	<b>3514.08</b>	<b>99.44</b>
<b>Profit before Exceptional</b>	<b>346.81</b>	<b>7.56</b>	<b>23.14</b>	<b>0.46</b>	<b>19.88</b>	<b>0.56</b>

Particulars	For the year ended					
	March 31, 2023	% of Total Income	March 31, 2022	% of Total Income	March 31, 2021	% of Total Income
Items(A-B)						
Exceptional Items	--	--	--	--	--	--
Profit Before Tax	346.81	7.56	23.14	0.46	19.88	0.56
Tax expense:	44.61	0.97	10.13	0.20	12.98	0.37
Profit for the year	<b>302.19</b>	<b>6.59</b>	<b>13.01</b>	<b>0.26</b>	<b>6.91</b>	<b>0.20</b>

## COMPARISON OF FINANCIAL YEAR ENDED 2023 TO FINANCIAL YEAR ENDED 2022

### Fiscal 2023 compared with Fiscal 2022

#### Revenue from Operation

Revenue from operations had decreased by 7.79% from ₹ 4947.29 lakhs in Fiscal 2022 to ₹ 4561.81 lakhs in Fiscal 2023. The change was primarily due to decrease in sales of products.

#### Other Income

Other income had decreased by 30.39 % from ₹ 39.22 lakhs in Fiscal 2022 to ₹ 27.30 lakhs in Fiscal 2023 majorly due to decrease Insurance Claim which got received in Fiscal 2022 amounting to ₹ 33.63 Lakhs as compare to ₹ NIL in Fiscal 2023.

#### Cost of Material Consumed

Cost of Material Consumed has been decreased by 58.67% from Rs. 3935.48 lakhs in Fiscal 2022 to Rs. 1626.57 Lakhs in Fiscal 2023 since company has also started trading activities during the year & due to this product traded have more participation in Revenue as compare to Manufacturing.

#### Purchase of Stock in Trade

Purchase of Stock in Trade during the year has been increased by 100% from Rs. NIL in Fiscal 2022 to Rs. 2016.54 Lakhs since company has started the trading activities in the Fiscal 2023.

#### Change in Inventories of WIP, Finished Goods & Stock in Trade

Change in Inventory of WIP, Finished Goods & Stock in Trade has been decreased by 4971.33% from Rs. (9.37) Lakhs in Fiscal 2022 to Rs. (475.10) Lakhs in Fiscal 2023 due to increase in Inventory holding level by the company.

#### Employee Benefit Expenses

Employee benefit expenses had increased by 11.09% from Rs. 325.49 Lakhs in Fiscal 2022 to Rs. 361.59 Lakhs in Fiscal 2023 majorly due to increase in increase in Executive Salaries from Rs. 50 lakhs in Fiscal 2022 to Rs. 84 Lakhs in Fiscal 2023 & Increase in labour charges from Rs. 83.86 Lakhs in Fiscal 2022 to Rs. 91.64 Lakhs in Fiscal 2023.

#### Finance Costs

Finance Costs had increased by 13.56% from ₹ 155.83 lakhs in Fiscal 2022 to ₹ 176.95 Lakhs in Fiscal 2023. This was primarily due to increase in Interest Expenses from Rs. 83.86 Lakhs in Fiscal 2022 to Rs. 109.47 Lakhs in Fiscal 2023.

#### Depreciation and Amortization Expenses

Depreciation had decreased by 12.89% from ₹ 110.30 Lakhs in Fiscal 2022 to ₹ 96.08 lakhs in Fiscal 2023 due to WDV Method of Deprecation which charge depreciation on reducing method.

#### Other Expenses

Other expenses had decreased by 1.34% from ₹ 445.64 lakhs in Fiscal 2022 to ₹ 439.67 lakhs in Fiscal 2023. The decrease was primarily due to decrease in Bank charges, Freight Charges, Maintenance Expenses, Generator

Maintenance, Administrative Expenses, Godown Rent, Annual Maintenance charges & increase in Audit Fees, Electricity Expenses, Consultant Fees, Income Tax Paid, Security Charges, Repairs to Machinery, Vehicle Maintenance etc.

### ***Tax Expenses***

The Company's tax expenses had increased from ₹ 10.13 lakhs in the Fiscal 2022 to ₹ 44.61 lakhs in Fiscal 2023. This was primarily due to increase in Current Tax which was increased from Rs. 3.61 Lakhs in fiscal 2022 to 58.46 Lakhs in in fiscal 2023 & decrease in deferred tax assets which was decreased from Rs. (3.61) Lakhs in Fiscal 2022 to Rs. (25.13) Lakhs in Fiscal 2023.

### ***Profit after Tax***

After accounting for taxes at applicable rates, our Company reported a net profit of ₹ 302.19 lakhs in Fiscal 2023 as compared to a net profit of ₹ 13.01 lakhs in Fiscal 2022.

## **COMPARISON OF FINANCIAL YEAR ENDED 2022 TO FINANCIAL YEAR ENDED 2021**

### ***Revenue from Operation***

Revenue from operations had increased by 45.95% from ₹ 3389.66 lakhs in Fiscal 2021 to ₹ 4947.29 lakhs in Fiscal 2022. The change was primarily due to increase in sales of Products manufactured & traded by the company.

### ***Other Income***

Other income had decreased by 72.82% from ₹ 144.30 lakhs in Fiscal 2021 to ₹ 39.22 lakhs in Fiscal 2022 majorly due to decrease in Discount Receipt which decreased from Rs. 113.83 in Fiscal 2021 to Rs. 5.59 lakhs in Fiscal 2022 & increase in Interest Income which increased from Rs. 30.47 lakhs in Fiscal 2021 to Rs. 33.63 lakhs in Fiscal 2023.

### ***Cost of Material Consumed***

Cost of Material Consumed has been increased by 51.97% from Rs. 2589.67 lakhs in Fiscal 2021 to Rs. 3935.48 Lakhs in Fiscal 2022 since company has Higher purchases during the year.

### ***Change in Inventories of WIP, Finished Goods & Stock in Trade***

Change in Inventory of WIP, Finished Goods & Stock in Trade has been increased by 93.74% from Rs. (149.65) Lakhs in Fiscal 2021 to Rs. (9.37) Lakhs in Fiscal 2022 due to Higher Opening Stock at the beginning of the Fiscal 2022.

### ***Employee Benefit Expenses***

Employee benefit expenses had increased by 8.28% from Rs. 300.59 Lakhs in Fiscal 2021 to 325.49 Lakhs in Fiscal 2022 majorly due to increase in Executive Salaries which increased from Rs. 34.20 Lakhs in Fiscal 2021 to Rs. 50.00 lakhs in Fiscal 2022.

### ***Finance Costs***

Finance Costs had decreased by 3.55% from ₹ 161.56 lakhs in Fiscal 2021 to ₹ 155.83 Lakhs in Fiscal 2022. This was primarily due to lower interest cost during the year.

### ***Depreciation and Amortization Expenses***

Depreciation had decreased by 2.29% from ₹ 112.88 Lakhs in Fiscal 2021 to ₹ 110.30 lakhs in Fiscal 2022 due to WDV Method of Deprecation which charge depreciation on reducing method.

### ***Other Expenses***

Other expenses had decreased by 10.70% from ₹ 499.03 lakhs in Fiscal 2021 to ₹ 445.64 lakhs in Fiscal 2022. The decrease was primarily due to decrease in Freight charges, Sales Promotion Expenses, Generator Maintenance, Consultant Fees, Repair to Machinery & Plant, Vehicle Maintenance & increase in Bank Charges, Electricity Charges, Maintenance Expenses, Administrative Expenses, Godown Rent and Annual Maintenance Charges etc.

### ***Tax Expenses***

The Company's tax expenses had decreased from ₹ 12.98 lakhs in the Fiscal 2021 to ₹ 10.13 lakhs in Fiscal 2022. This was primarily due to decrease in Deferred Tax Expenses during the year.

### ***Profit after Tax***

After accounting for taxes at applicable rates, our Company reported a net profit of ₹ 13.01 lakhs in Fiscal 2022 as compared to a net profit of ₹ 6.91 lakhs in Fiscal 2021.

## **CASH FLOWS**

The table below is our cash flows for the financial years ended on 2023, 2022, 2021, and 2020:

*(Rs. In Lakhs)*

Particulars	For the year ended March 31,		
	2023	2022	2021
Net Cash from Operating Activities	367.95	229.80	245.29
Net Cash from Investing Activities	(285.74)	(52.57)	(150.45)
Net Cash used in Financing Activities	(82.97)	(175.80)	(95.27)

### ***Cash Flows from Operating Activities***

Net cash from operating activities for fiscal 2023 was at ₹ 367.95 lakhs as compared to the Profit Before Tax at ₹ 346.81 lakhs while for fiscal 2022 Net cash from operating activities was at ₹ 229.80 lakhs as compared to the Profit Before Tax at ₹ 23.14 Lakhs. This was primarily due to adjustments against adjustments against, changes in Working Capital.

Net cash from operating activities for fiscal 2022 was at ₹ 229.80 lakhs as compared to the Profit Before Tax at ₹ 23.14 lakhs while for fiscal 2021, net cash from operating activities was at ₹ 245.29 lakhs as compared to the Profit Before Tax of ₹ 6.91 lakhs. This was primarily due to adjustments against, changes in Working Capital.

Net cash from operating activities for fiscal 2021 was at ₹ 245.29 lakhs as compared to the Profit Before Tax at ₹ 6.91 lakhs.

### ***Cash Flows from Investment Activities***

In fiscal 2023, the net cash invested in Investing Activities was ₹ (285.74). lakhs. This was mainly on account of Purchases of Fixed Assets.

In fiscal 2022, the net cash invested in Investing Activities was ₹ (52.57) lakhs. This was mainly on account of Purchases of Fixed Assets

In fiscal 2021, the net cash invested in Investing Activities was ₹ (150.45) lakhs. This was mainly on account of Purchases of Fixed Assets

### ***Cash Flows from Financing Activities***

In fiscal 2023, the net cash from financing activities was ₹ (82.97) lakhs. This was on account of Repayment of Borrowings & Finance Cost.

In fiscal 2022, the net cash from financing activities was ₹ (175.80) lakhs. This was on account of Repayment of Borrowings & Finance Cost.

In fiscal 2021, the net cash from financing activities was ₹ (95.27) lakhs. This was on account of Repayment of Borrowings & Finance Cost.

### **On Consolidated Basis**



Particulars	For the year ended	
	March 31, 2023	% of Total Income
Revenue from Operations	4561.81	99.41
Other Income	27.30	0.59
<b>Total Income (A)</b>	<b>4589.10</b>	<b>100.00</b>
<b>EXPENDITURE</b>		
Cost of Material Consumed	1626.57	35.44
Purchase of Stock in Trade	2016.54	43.94
Changes in inventories of Finished Goods, WIP and Traded Goods	(475.10)	-10.35
Employee benefits expense	361.59	7.88
Finance costs	176.95	3.86
Depreciation and amortization expense	96.08	2.09
Other expenses	439.67	9.58
<b>Total Expenses (B)</b>	<b>4242.30</b>	<b>92.44</b>
<b>Profit before Exceptional Items(A-B)</b>	<b>346.81</b>	<b>7.56</b>
<b>Exceptional Items</b>	--	--
<b>Profit Before Tax</b>	<b>346.81</b>	<b>7.56</b>
<b>Tax expense:</b>	<b>44.61</b>	<b>0.97</b>
<b>Profit for the year</b>	<b>302.19</b>	<b>6.59</b>

### Review of Restated Financials,

#### Key Components of Company's Profit and Loss Statement

**Revenue from Sale of Services:** Revenue from operations mainly consists from Revenue from Sale of Products through online platforms.

**Other Income:** Other Income Consist of Interest Income, Discount Received & Provision written back & Other Non-Operating Revenue etc.

**Expenses:** Company's expenses consist of, Cost of Material Consumed, Purchase of Stock in Trade, Changes in Inventories of WIP, Finished goods & Stock in Trade, Employee benefit expenses, Finance Cost, Depreciation and Amortization expenses & Other Expenses.

**Cost of Material Consumed:** Cost of material consumed mainly consist Opening Stock of Raw Material, Purchase of Raw Material Less Closing Stock of Raw Material available at the end of reporting period.

**Purchase of Stock in Trade:** Purchase of Stock in Trade consist of Items purchase for Trading purpose only.

**Change in Inventory of WIP, Finished Goods & Stock in Trade:** Change in Inventory of WIP, finished goods & Stock in Trade consist of Difference between opening & closing Stock.

**Employee Benefits Expense:** Employee benefit expenses includes Salaries and Wages, Employee Stock Compensation Expenses, Staff Welfare Expenses & Contribution to statutory funds.

**Finance Cost:** Finance Cost mainly consist of Interest on borrowings & other Finance Cost such as Loan processing fees, bank charges etc.

**Depreciation and Amortization Expense:** We recognize Depreciation and Amortization expense on a WDV Basis as per the rates set forth in the Companies Act, 2013/ Companies Act, 1956, as applicable.

**Other Expenses:** Other Expenses includes Fabric Conversion & Redesigning Charges, Internet banking & other charges, Marketing Expenses, Advertisement & Business Promotion Expenses, Power & Fuel, Repair & Maintenance, Office Expenses, Rent Expenses, Professional & technical Fees, Travelling Expenses, Freight & handing charges and other misc. expenses etc.

#### **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. There are no Unusual or infrequent events or transactions in our Company. The transactions are as per usual business operations.

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Except for any change in economic policy affecting our industry in India, there are no other 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 27 in the Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. Future changes in relationship between costs and revenues**

Our Company’s future costs and revenues will be determined by growth of industry in which we operate.

**5. Increases in net sales or revenue and Introduction of new products or services or increased sales prices**

Increases in revenues are by and large linked to increases in volume of our business.

**6. Status of any publicly announced New Products or Business Segment**

Our Company has not announced any new Product or business segment.

**7. Seasonality of business**

Our Company’s business is not seasonal.

**8. Dependence on few customers/ clients**

Our Company is engaged in Manufactures of pet and preforms bottles, we are dependent on few customers, details is as follows:

Particulars	FY 2022-23		FY 2021-22		FY 2020-21	
Top Ten Customers	2,118.61	34.80%	2,114.31	40.63%	1,793.95	41.43%

**9. Competitive conditions**

Competitive conditions are as described under the Chapters “Industry Overview” and “Our Business” beginning on pages 100 and 120, respectively of the Draft Red Herring Prospectus.

**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, the following material events have occurred after the last audited period:

1. Change in name from Swasthik Caps Private Limited to Swasthik Plascon Private Limited vide fresh Certificate of Incorporation issued by Registrar of Companies, Chennai, dated June 13, 2023.
2. Conversion of Company into Public Limited Company and change in name of company from Swasthik Plascon Private Limited to Swasthik Plascon Limited vide fresh Certificate of Incorporation issued by Registrar of Companies, Chennai, dated July 17, 2023.
3. Appointment of Mr. Mahendrakumar Gautam as Managing Director in EGM held on September 15, 2023.
4. Appointment of Mrs. Kavitha Gulacha, Mr. Mohanraj Perumal and Mr. Sheetal Shah as independent directors in EGM held on September 15, 2023.

5. Appointment of Mr. Pawan Kumar Chamaria as CFO and Mr. Madras Uthandavelu Ravi Kumar as CS in Board Meeting held on September 15, 2023 and June 16, 2023 respectively.
6. Approval of IPO Resolution by Board of Director in Board Meeting held on September 15, 2023 and by shareholders in EGM held on September 15, 2023.
7. Company has formed Audit Committee, Stakeholder Relation Committee and Nomination and Remuneration committee on September 15, 2023.

## SECTION VIII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoter in the last five financial years, including outstanding action; or (v) Material Litigation (as defined below); involving our Company, its Directors and Promoters.

Our Board, in its meeting held on September 15, 2023 determined that outstanding legal proceedings involving the Company, its Directors and Promoter will be considered as material litigation (“**Material Litigation**”) if the aggregate amount involved in such individual litigation exceeds 10% of profit after tax of the Company, as per the last audited financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.

The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI (ICDR) Regulations, 2018 as amended for creditors where outstanding due to any one of them exceeds 10.00% of the Company’s trade payables as per the last restated financial statements.

#### A. LITIGATION INVOLVING THE COMPANY

##### (a) Criminal proceedings against the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Company.

##### (b) Criminal proceedings filed by the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the Company.

##### (c) Actions by statutory and regulatory authorities against the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

##### (d) Tax Proceedings

###### (i) Direct Tax: -

#### SWASHTHIK PLASCON LIMITED

A. Y.	Section Code	Date of Demand	Amount	Particulars
2016-17	141(a)	12-01-2017	33,440	No Appeal has been preferred against the Demand. The Matters Pending.
2018-19	141(1)(a)	13-11-2018	85,100	<p>The Appellant has filed its Income Tax Return for the Assessment Year 2018-2019. The initial return declared NIL Income under normal provisions and after adjusting brought forward loss of Rs.26,79,359/- under Deemed Income u/s. 115JB.</p> <p>The return was processed under section 143(1), resulting in an addition of Rs.18,89,460/- related to belated payment of employee contributions without allowing time for objections, as alleged by the Appellant. The appellant claims a typographical error in the Audit Report Annexure and a cut-and-paste error, with the entered amount not related to their company. The Appellant also provided evidence of this error.</p> <p>The appellant argues that, as per Section 43B of the</p>

A. Y.	Section Code	Date of Demand	Amount	Particulars
				<p>Income-tax Act, the Employee Contribution was paid before the due date of filing the Income-tax Return, making it allowable.</p> <p>Referring to an ITAT judgment, the appellant asserts that Employee contributions paid within the due date for filing the return can be allowed as a deduction. The appellant contends that the CPC did not consider the unadjusted Business Loss and Depreciation loss of Rs.3,14,38,801/-, which should be adjusted against the current year's income.</p> <p>The appeal was filed before the CIT (Appeals) on 20-12-2-18 to delete the addition of Rs.18,89,460/- and follow the ITAT, Chennai judgment.</p> <p>The matter is pending.</p>
2017-18	141(1)(a)	06-06-2018	260	No Appeal has been preferred against the Demand. The Matters Pending.
2012-13	143(3)	12-09-2014	160	No Appeal has been preferred against the Demand. The Matters Pending.

**(ii) Indirect Tax – NIL**

**(e) Other pending material litigations against the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated against the Company, which have been considered material by the Company in accordance with the Materiality Policy.

**(f) Other pending material litigations filed by the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated by the company, which have been considered material by the Company in accordance with the Materiality Policy.

**B. LITIGATIONS INVOLVING THE PROMOTERS & DIRECTORS OF THE COMPANY**

**(a) Criminal proceedings against the Promoters & Directors of the company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings against the Promoters & Directors of the company.

**(b) Criminal proceedings filed by the Promoters & Directors of the company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the Promoters and Directors of the company.

**(c) Actions by statutory and regulatory authorities against the Promoters & Directors of the company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Promoters & Directors.

**(d) Tax Proceedings:**

**(i) Direct Tax –**

**PARASMAL MAHENDRA KUMAR**

<b>A. Y.</b>	<b>Section Code</b>	<b>Date of Demand</b>	<b>Amount</b>	<b>Particulars</b>
2016-2017	143(3)	12-12-2018	4,302,294	The appellant derives his income from consultancy and house property. The appellants case was selected for scrutiny and assessment was completed u/s 143 (3) of the income tax act. The Ld. Assessing Officer had called for various details and the same were duly furnished. The appellant had during the relevant assessment year sold Agri Land jointly held with two other family members. The Appellant has alleged that the Ld. Assessing Officer had preferred application us 144A with the Addl. CIT and completed the assessment even without providing an opportunity to the appellant. The Ld. Assessing Officer rejected the exemption claimed towards sale of Agri Land and taxed the same as capital asset under long term capital gain. Aggrieved by the same the appellant has filed this appeal before the CIT (Appeals) on 20-12-2018. The matter is pending.

**PARASMAL RAVINDRA KUMAR**

<b>A. Y.</b>	<b>Section Code</b>	<b>Date of Demand</b>	<b>Amount</b>	<b>Particulars</b>
2016-2017	154	25-02-2019	4,597,406	The appellant derives his income from salary house property and share trading. The appellants case was selected for scrutiny and assessment was completed u/s 143 (3) of the income tax act. The Ld. Assessing Officer had called for various details and the same were duly furnished. The appellant had during the relevant assessment year sold Agri Land jointly held with two other family members. The Appellant has alleged that the Ld. Assessing Officer had preferred application us 144A with the Addl. CIT and completed the assessment even without providing an opportunity to the appellant. The Ld. Assessing Officer rejected the exemption claimed towards sale of Agri Land and taxed the same as capital asset under long term capital gain. Aggrieved by the same the appellant has filed this appeal before the CIT (Appeals) on 20-12-2018. The matter is pending.

**D ANITA**

<b>A. Y.</b>	<b>Section Code</b>	<b>Date of Demand</b>	<b>Amount</b>	<b>Particulars</b>
2016-2017	154	25-02-2019	4,550,238	The appellant is an individual and gets the income from house property and does investments in shares. The appellants case was selected for scrutiny and assessment was completed under section 143 (3) of the income tax act. The Ld. Assessing Officer had during the course of scrutiny called for various details and the same were duly furnished and claim of exemption of long term capital gains under section 10(38). The learned AO rejected the explanation and added the entire sale consideration as profit earned during the year and accordingly bought to tax under section 68 of the IT act without allowing the exemption under section 10 (38). Aggrieved by the same the appellant has filed this appeal before the CIT (Appeals) on 10-01-2018. The matter is pending.

(ii) **Indirect Tax – NIL**

(e) **Other pending material litigations against the Promoters & Directors of the company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated against the Directors, which have been considered material by the Company in accordance with the Materiality Policy.

(f) **Other pending material litigations filed by the Promoters & Directors of the company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated by the Directors, which have been considered material by the Company in accordance with the Materiality Policy.

**C. LITIGATIONS INVOLVING THE GROUP COMPANIES WHICH CAN HAVE A MATERIAL IMPACT ON OUR COMPANY**

(a) **Criminal proceedings against our group companies**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our group companies.

(b) **Criminal proceedings filed by our group companies**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our group companies.

(c) **Actions by statutory and regulatory authorities against our group companies**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against our group companies.

(d) **Tax Proceedings**

(i) **Direct Tax: -**

**SWASHTHIK INDUSTRIES**

A. Y.	Section Code	Date of Demand	Amount	Particulars
2018-19	143(1)(a)	13-05-2019	8,400	No Appeal has been preferred against the Demand. The Matters Pending.

**SWASHTHIK PREFORMS PRIVATE LIMITED**

A. Y.	Section Code	Date of Demand	Amount	Particulars
2021-22	141(3)(a)	11-11-2022	3,67,150	No Appeal has been preferred against the Demand. The Matters Pending
2018-19	143(1)(a)	16-10-2019	1,78,216	The Appellant has filed its original IT Return on 02-10-2018. The Employee share of PF and ESI is added back to income just because it was Paid belatedly as per the relevant statute. Amount under Dispute Rs.18,89,460/-. The appeal was filed before the CIT (Appeals) on 20-12-2-18 to delete the addition of Rs.18,89,460/-.
2012-13	154	19-12-2015	5,691	No Appeal has been preferred against the Demand. The Matters Pending

(ii) **Indirect Tax – NIL**

(e) **Other pending material litigations against our group companies**

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated against our group companies, which have been considered material by the Company in accordance with the Materiality Policy.

**(f) Other pending material litigations filed by our group companies**

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated by our group companies, which have been considered material by the Company in accordance with the Materiality Policy.

**OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS**

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to Amounts due towards such creditors are available on the website of our Company. Below are the details of the Creditors where outstanding amount as on;

**Outstanding Litigations involving the Company or involving any other person or company whose outcome may have a material adverse effect on the Company's results of operations or financial position.**

As on date of this Draft Red Herring prospectus, there are no outstanding litigations involving the Company, or involving any other person or company whose outcome may have a material adverse effect on the Company's results of operations or financial position.

There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 years.

**Pending proceedings initiated against our Company for economic offences.**

There are no pending proceedings initiated against our Company for economic offences.

**Inquiries, investigations etc. instituted under the Companies Act, 2013 or any previous Companies enactment in the last 5 years against our Company.**

There are no inquiries, investigations etc. instituted under the Companies Act or any previous Companies enactment since incorporation against our Company.

**Material Fraud against our Company in the last five years**

There has been no material fraud committed against our Company since incorporation.

**Fines imposed or compounding of offences for default**

There are no fines imposed or compounding of offences for default or outstanding defaults.

**Non-Payment of Statutory Dues**

Except as disclosed in the chapter titled "*Restated Financial Statements*" beginning on page 177 there are have been no defaults or outstanding defaults in the payment of statutory dues payable under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees State Insurance Act, 1948.

**Material Developments occurring After Last Balance Sheet Date**

Except as disclosed in Chapter titled "*Management's Discussion and Analysis of Financial Conditions & amp; Results of Operations*" beginning on page 183 of this prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.



## GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current business activities and no further major approvals from any governmental/regulatory authority, or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

### APPROVALS FOR THE ISSUE

The following approvals have been obtained or will be obtained in connection with the Issue:

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on September 15, 2023 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant to Section 62(1) (c) of the Companies Act, 2013, by a special resolution passed in the Extra Ordinary General Meeting held on September 15, 2023 authorized the Issue.
3. The ISIN of the Company is INE0RDR01012.

### APPROVALS PERTAINING TO INCORPORATION OF OUR COMPANY

Sr. No.	Description	Registration Number	Applicable law	Issuing Authority	Date of Issue	Validity
1.	Certificate of Incorporation in the name of "Swasthik Caps Private limited"	U25209PY2011PTC002578	Companies Act, 1956	Registrar of Companies, Pondicherry	5/05/2011	Perpetual
2.	Certificate of Incorporation pursuant to Change of Name from "Swasthik Plascon Private limited"	U25209PY2011PTC002578	Companies Act, 1956 and the Companies (Incorporation) Rules, 2014	Registrar of Companies, Pondicherry	13/06/2023	Perpetual
3.	Certificate of Incorporation pursuant to the Company from Private Limited to Public Limited	U25209PY2011PLC002578	Companies Act, 2013	Registrar of Companies, Pondicherry	17/07/2023	Perpetual

### BUSINESS RELATED APPROVALS.

Sr. No.	Description	Registration / Application NO.	Applicable law	Issuing Authority	Date of Issue	Validity
1.	Certificate of Importer Exporter Code	2507001232	Foreign Trade (Development and Regulation) Act, 1992	Directorate General of Foreign Trade	15/02/2008	Perpetual
	Registration	PY-3446	Factory Act, 1948	Mannadipet	14/09/2006	31/12/2023

Sr. No.	Description	Registration / Application NO.	Applicable law	Issuing Authority	Date of Issue	Validity
2.	and License to work as a Factory			Commune Panchayat		
3.	Trade License	1320190138	Pondicherry Village and Commune Panchayats Act, 19734	Mannadipet Commune Panchayat	13/08/2020	31/03/2023
4.	No- Objection Certificate	113/DIC/EI/IGB-MCP/2006-07	Air (Prevention & Control of Pollution) Act, 1981 and Water (Prevention & Control of Pollution) Act, 1974	Pondicherry Pollution Control Committee	29/09/2006	Perpetual
5.	ISO Certificate	0518Q109321	ISO 9001:2015 Quality Management System	The Bureau of Indian Standards	18/05/2021	17/05/2024
6.	Udyam Registration Certification	UDYAM-PY-03-0001480	Micro, Small and Medium Enterprises Development Act, 2006	Government of India Ministry of Micro, Small and Medium Enterprises	23/11/2020	Perpetual



#### TAX RELATED APPROVALS

Sr. No.	Description	Registration Number	Applicable law	Date of Issue	Issuing Authority	Validity
1.	Permanent Account Number (PAN)	AAVPS9956Q	Income Tax Department	-	Income Tax Department	Perpetual
2.	Goods & Services Tax (GST), Tamil Nadu	33AAPCS7785N1ZB	Central Goods and Service Tax Act, 2017	01/07/2017	Goods and Service Tax Department	Perpetual
3.	Goods & Services Tax (GST), Puducherry	34AAPCS7785N1Z9	Central Goods and Service Tax Act, 2017	26/09/2017	Goods and Service Tax Department	Perpetual
4.	TAN (Tax Deduction Account Number)	CHES36988A	Income Tax Act, 1961	22/09/2011	Income Tax Department	Perpetual
5.	Registration under Employees Provident Fund	PC/1917	Employee Provident Funds & Miscellaneous Provisions Act, 1952	01/06/2010	Employees' Provident Fund Organisation (Ministry of Labour & Employment, Government of India)	Perpetual
6.	Registration under Employees State Insurance	55-42769-90	Employees State Insurance Act, 1948	01/05/2009	Employees State Insurance Corporation	Perpetual

#### INTELLECTUAL PROPERTY RELATED APPROVALS

We regard our intellectual property as one of the most important factors in contributing to our success, and our intellectual property rights include trademarks associated with our businesses and other rights arising from confidentiality agreements relating to our database, website content and technology.

Our company is using trademark logo for *SWASTHIK PLASCON LIMITED* has applied for Trademark, which has been 'Not Known'.

Sr. No	Trade Mark Logo	Class	TM mark Type	Owner	Application No./ Registration Certificate No.	Date of Application	Current Status
1		17	Device	Swasthik Plascon Limited	9235179	12-09-2023	Not Known
2		35	Device	Swasthik Plascon Limited	9235632	13-09-2023	Not Known

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE FRESH ISSUE

This Issue in terms of this Draft Red Herring Prospectus has been authorized by the Board of Directors pursuant to a resolution dated September 15, 2023 and by the shareholders pursuant to a special resolution in an Extra Ordinary General Meeting held on September 15, 2023 under section 62 (1) (c) of the Companies Act, 2013.

Our Company has obtained in-principle approval from the BSE SME for using its name in the Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus pursuant to letter dated [●]. BSE Limited is the Designated Stock Exchange.

### PROHIBITION BY THE SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Group Company, our Promoter, our Promoter Group, our Directors, Person in control of Promoter or Company, have not been prohibited from accessing the capital market for any reason or restrained from buying, selling or dealing in securities, under any order or directions by the SEBI or any other regulatory or government authorities.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

None of our Directors are associated with the securities market and there are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which our director was associated have been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, none of our Promoters or Directors are declared as fugitive economic offenders under Fugitive Economic Offenders Act, 2018.

### ASSOCIATION WITH SECURITIES MARKET

None of our Directors in any manner are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our directors are associated as promoters or directors.

### PROHIBITION BY RBI

Neither our Company, our subsidiaries, our Promoter, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a wilful defaulter or fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter "*Outstanding Litigations And Material Development*" beginning on page 195 of the Draft Red Herring Prospectus.

### COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 ("SBO Rules"), to the extent applicable, as on the date of the Draft Red Herring Prospectus.

### ELIGIBILITY FOR THE ISSUE

Our Company is eligible in terms of Regulations 230 of SEBI ICDR Regulations for this Issue\*.

\*The Company will comply with requirement of Regulation 230 before filing of Prospectus with ROC.

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 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 Limited 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 was 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 56 of this Draft 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, we shall ensure that our Book Running Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Prospectus.
4. In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement 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 56 of this Draft Red Herring Prospectus.
5. The Post Issue paid up capital of the company will be less than ₹ 25 Crore.
6. The Company has a track record of at least 3 years as on the date of filling Draft Red Herring Prospectus.
7. The Net-worth of our Company is Positive as per latest audited financial statement.
8. Our Company’s net worth, Cash accruals (earnings before depreciation and tax) and Net Tangible Assets based on the Restated Financial Statements included in this Draft Red Herring Prospectus as at Fiscals ended March 31, 2023, March 31, 2022 and 2021 are set forth below:

**On Consolidated Basis:**

(Rs. in Lakhs)

Particulars	March 31, 2023
Net Worth	2037.09
Cash Accruals	442.88
Net Tangible Assets	2037.09

**On Standalone Basis:**

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Net Worth	2021.55	631.53	618.52
Cash Accruals	442.89	133.44	132.76
Net Tangible Assets	2021.55	631.22	618.52

- (i) Net Worth has been computed as the aggregate of equity shares 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.
- (iii) Net Tangible Assets is calculated as total tangible assets less outside liabilities.

9. The Company will mandatorily facilitate trading in demat securities and will enter into agreement with both the depositories.
10. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
11. 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.
12. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.

13. 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.
14. Our Company has a website i.e., [www.swashthikplascon.com](http://www.swashthikplascon.com)

#### **OTHER DISCLOSURES:**

- 1) We have Disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) of the applicant company in the Draft 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, promoters/promoting company(ies), group companies, companies promoted by the promoters/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, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation, For details, please refer the chapter "*Outstanding Litigations & Material Developments*" on page 195 of this Draft Red Herring Prospectus.
- 4) We have disclosed all details of the track record of the directors, the status of criminal cases filed 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. For Details, refer the chapter "*Outstanding Litigation & Material Developments*" on page 195 of this Draft Red Herring Prospectus.

#### ***As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:***

- The Draft Red Herring Prospectus has been filed with BSE Limited and our Company has made an application to BSE Limited for listing of its Equity Shares on the SME platform. BSE Limited is the Designated Stock Exchange.
- Our Company has entered into an agreement dated [●] with NSDL and agreement dated [●] 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 Promoters will be 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 working capital requirement, general corporate purpose and issue expenses, for details, please refer the chapter "*Objects of the Issue*" on page 81 of this Draft 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.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- (a) Neither our Company nor our Promoter, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- (b) None of our Promoter or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.

(c) Neither our Company nor our Promoters or Directors is a wilful defaulter or fraudulent borrower.

(d) None of our Promoters or Directors is a fugitive economic offender.

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.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT RED HERRING PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE LEAD MERCHANT BANKER, SHRENI SHARES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, SHRENI SHARES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●]**

**THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.**

*Note:*

*All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Pondicherry in terms of sections 26, 32 and 33 of the Companies Act,*

#### **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 Draft Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the MOU entered between the BRLM (Shreni Shares Limited) and our Company on September 29, 2023 and the Underwriting Agreement dated September 29, 2023 entered into between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our subsidiary, our Promoter Group, Group Entities, 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 Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Pondicherry.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED**

BSE Limited ("BSE") has vide its letter dated [●] given permission 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”.

## **FILING**

This Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus is being filed with BSE Limited, 25th Floor, P. J. Towers, Dalal Street, Fort, Mumbai – 400001, Maharashtra, India.

The copy of the Draft Red Herring Prospectus will not have filed with SEBI and SEBI will not issue any observation on the Draft Red Herring Prospectus in terms of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Pursuant to SEBI Circular No SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Red Herring Prospectus and Prospectus will be filed online through SEBI Intermediary portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus and Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, No.7, Second Floor, Karuvadikuppam Main Road, Senthamarai Nagar, Muthialpet - 605003, Puducherry, India

## **LISTING**

The Equity Shares of our Company are proposed to be listed on BSE SME. Our Company has obtained in-principle approval from BSE Limited by way of its letter dated [●] for listing of equity shares on BSE SME (BSE SME).

BSE Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE Limited, our Company shall forthwith repay, all moneys received from the applicants in pursuance of this Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the BSE SME mentioned above are taken within Six (6) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within Six (6) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

## **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 to action under section 447 of the Companies, Act 2013

## CONSENTS

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Peer Review Auditor, Our Banker(s) to the Company\*; (b) Book Running Lead Manager, Registrar to the Issue, Banker(s) to the Issue\*, Legal Advisor to the Issue, Underwriter(s) to the Issue\* and Market Maker to the Issue\* to act in their respective capacities have been obtained as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

\* The consent will be taken while registering the Prospectus with Roc.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s PSDY & Associates., Chartered Accountants, Peer Review Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated financial statements as included in this Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

## EXPERTS OPINION

Except for the reports in the section “*Financial Information*” and “*Statement of Possible Tax Benefits*” on page 177 and 96 of this Draft Red Herring Prospectus from the Peer Review Auditors and Statutory Auditor, our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

Particulars regarding Public or Rights Issues during the last five (5) years

Our Company has not made any previous public or rights issue in India or abroad the five (5) years preceding the date of this Draft Red Herring Prospectus except as disclosed in this Draft Red Herring Prospectus.

### **Previous issues of Equity Shares otherwise than for cash**

For detailed description please refer to section titled “*Capital Structure*” beginning on page 67 of this Draft Red Herring Prospectus.

### **Underwriting Commission, brokerage and selling commission on Previous Issues**

Since this is the initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

**Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:**

Neither our Company nor any other companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 has made / Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

### **Performance vis-à-vis objects – Public/rights issue of our Company and/or listed Group Companies/ Subsidiaries and Associates of our Company**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 67 of this Draft 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.

### **Performance vis-a-vis objects - Last Issue of Group/Associate Companies**

Except as disclosed in this Draft Red Herring Prospectus, all of our Group/ Associate are unlisted and have not made a public issue of shares.

### **Outstanding Debentures or Bond Issues or Redeemable Preference Shares and other instruments**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Red Herring Prospectus.

### **Outstanding Convertible Instruments**

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

### **Option to Subscribe**

Equity Shares being offered through the Draft Red Herring Prospectus can be applied for in dematerialized form only.

### **Stock Market Data of the 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 Agreement amongst the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or refund orders, demat credit or where refunds are being made electronically, giving of refund instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there are no investor complaints received during the three years preceding the filing of Draft Red Herring Prospectus. Since there are no investor complaints received, none are pending as on the date of filing of this Draft Red Herring Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these

complaints as expeditiously as possible. Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on September 15, 2023. For further details on the Stakeholders Relationship Committee, please refer to section titled “*Our Management*” beginning on page 151 of this Draft Red Herring Prospectus.

Our Company has appointed Mr. Madras Uthandavelu Ravi Kumar, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

**Mr. Madras Uthandavelu Ravi Kumar**

No. A75 - A76, PIPDIC Electronic Park,  
Thirubuvanai, Mannadipet Commune,  
Puducherry - 605107, Pondicherry, India

**Tel. No.:** (0413)-264095

**E-mail:** [cs@swashthikplascon.com](mailto:cs@swashthikplascon.com)

**Website:** [www.swashthikplascon.com](http://www.swashthikplascon.com)

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non- receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system “**SCORES**”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

### **Disposal of investor grievances by listed companies under the same management as our Company**

We do not have any listed company under the same management.

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

Except as disclosed in Chapter titled “*General Information*” beginning on Page 56 of this Draft Red Herring Prospectus; there are no changes in the Auditors of the company during the last three years.

### **Capitalization of Reserves or Profits**

Except as disclosed under section titled “*Capital Structure*” beginning on page 67 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

### **Revaluation of Assets**

Our Company has not revalued its assets in five (5) years preceding the date of this Draft Red Herring Prospectus.

### **Tax Implications**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled “*Statement of Possible Tax Benefits*” beginning on page 96 of this Draft Red Herring Prospectus.

### **Purchase of Property**

Other than as disclosed in Section “*Our Business*” on page 120 of the Draft Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of the Draft Red Herring Prospectus, other than property, in respect of which:

The contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Issue, or that the Issue was contemplated in consequence of the contract; or the amount of the purchase money is not material.

Except as stated elsewhere in the Draft Red Herring Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

### Servicing Behaviour

Except as stated in this Draft Red Herring Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

### Payment or benefit to officers of Our Company

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled “Our Management” beginning on page 151 and “Restated Statement of Related Party Transactions” under chapter titled “Financial Information” beginning on page 177 of the Draft Red Herring Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

### Exemption from complying with any provision of security laws, if any granted by SEBI

As on date of Draft Red Herring Prospectus, our company has not availed any exemption from complying with any provision of security laws granted by SEBI

### STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY SHRENI SHARES LIMITED:

Sr. No.	Issuer name	Issue size (₹ Crores)	Issue price (Rs.)	Listing Date	Opening price on Listing Date (in Rs.)	+/- % change in closing price, [+/- % change in closing benchmark] - 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180 <sup>th</sup> calendar days from listing
1.	Arihant Academy Limited	14.72	90.00	December 29, 2022	120.10	+53.50% [-3.22%]	+11.44% [-6.81%]	+15.56% [+2.75%]
2.	Srivasavi Adhesive Tapes Limited	15.50	41.00	March 09, 2023	40.00	+38.41% [-0.71%]	+81.95% [+4.78%]	+257.32% [+10.02%]
3.	Bright Outdoor Media Limited	55.48	146.00	March 24, 2023	150.00	+12.98% [+4.40%]	+31.03% [+10.42%]	+217.81% [+16.12%]
4.	Sancode Technologies Limited	5.15	47.00	April 18, 2023	64.00	+75.09% [+3.07%]	+25.60% [+11.49%]	-
5.	Veefin Solutions Limited	46.73	82.00	July 05, 2023	86.05	+57.13% [-0.31%]	-	-
6.	Global Pet Industries Limited	13.23	49.00	July 10, 2023	52.00	+41.02% [+1.11%]	-	-
7.	AccelerateBS India Limited	5.69	90.00	July 19, 2023	109.50	+41.56% [-2.90%]	-	-
8.	C P S Shapers Limited	11.10	185.00	September 07, 2023	450.00	-	-	-
9.	Meson Valves India Limited	31.09	102.00	September 21, 2023	193.80	-	-	-
10.	Marco Cables & Conductors Limited	18.73	36.00	September 28, 2023	38.70	-	-	-

Source: [www.bseindia.com](http://www.bseindia.com) / [www.nseindia.com](http://www.nseindia.com)

**Notes:**

1. The BSE SENSEX and CNX NIFTY are considered as the Benchmark Index.
2. Price on BSE/NSE are considered for all the above calculations.
3. In case 30th, 90th and 180th day is not a trading day, closing price of the next trading day has been considered.
4. In case 30th, 90th and 180th day, scripts are not traded then the last trading price has been considered.
5. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the lead manager are provided.

**Summary statement of price information of past issues handled by Shreni Shares Limited (Formerly known as Shreni Shares Private Limited):**

Financial Year	Total no. of IPOs	Total funds raised (₹ Crores)	Nos. of IPOs trading at discount on as on 30 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at premium on as on 30 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at discount as on 180 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at premium as on 180 <sup>th</sup> calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2023-2024 <sup>@</sup>	7**	131.72	-	-	-	2	2	-	-	-	-	-	-	-
2022-2023 <sup>#</sup>	10**	156.29	-	-	-	5	2	3	-	-	1	5	-	4
2021-2022	5*	25.00	-	-	-	1	1	3	-	-	-	1	1	3

\* The script of Getalong Enterprise Limited, DMR Hydroengineering & Infrastructures Limited, Alkosign Limited, Quality RO Industries Limited and Ekennis Software Service Limited were listed on October 08, 2021, December 07, 2021, February 01, 2022, February 09, 2022 and March 07, 2022 respectively.

\*\*The script of Fidel Softech Limited, SKP Bearing Industries Limited, Olatech Solutions Limited, Ameya Precision Engineers Limited, DAPS Advertising Limited, Amiable Logistics (India) Limited, PNGS Gargi Fashion Jewellery Limited, Arihant Academy Limited, Srivasavi Adhesive Tapes Limited and Bright Outdoor Media Limited were listed on June 10, 2022, July 13, 2022, August 29, 2022, September 08, 2022, November 14, 2022, November 16, 2022, December 20, 2022, December 29, 2022, March 09, 2023 and March 24, 2023 respectively.

\*\*\*The script of Sancode Technologies Limited, Veefin Solutions Limited, Global Pet Industries Limited, AccelerateBS India Limited, C P S Shapers Limited, Meson Valves India Limited and Marco Cables & Conductors Limited were listed on April 18, 2023, July 05, 2023, July 10, 2023, July 19, 2023, September 07, 2023, September 21, 2023 and September 28, 2023 respectively.

<sup>@</sup>The script of Sancode Technologies Limited, Veefin Solutions Limited, Global Pet Industries Limited, AccelerateBS India Limited, C P S Shapers Limited, Meson Valves India Limited and Marco Cables & Conductors Limited have not completed 180 days from the date of listing.

**Note:** Rights Issues lead managed by Shreni Shares Limited (Formerly known as Shreni Shares Private Limited) have not been included in the abovementioned Summary Statement of Disclosure as the disclosure is limited to IPOs only.

For details regarding track record of BRLM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the BRLM at: [www.shreni.in](http://www.shreni.in)

**Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is**

**not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.**

## SECTION IX – ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2018, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the FIPB, the RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.*

For details in relation to Issue expenses, see “Objects of the Issue” and “Other Regulatory and Statutory Disclosures” on pages 81 and 203 respectively.

### THE ISSUE

The present Public Issue of Up to 47,40,000 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on September 15, 2023 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on September 15, 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 and allotted shall be subject to the provisions of the Companies Act 2013, our Memorandum of Associations and Articles of Association shall rank pari passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled “Main Provisions of the Articles of Association” beginning on page 259 of this Draft Red Herring Prospectus.

### MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the SEBI LODR Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment will be payable to the Bidders who have been allotted Equity Shares in the Issue, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see “Dividend Policy” and “Main Provisions of the Articles of Association” beginning on page 175 and 259, respectively of this Draft Red Herring Prospectus.

### FACE VALUE, ISSUE PRICE AND PRICE BAND

The face value of each Equity Share is ₹ 10 and the Issue Price is ₹ [●] per Equity Share. The Floor Price is ₹ [●] per Equity Share and at the Cap Price is ₹ [●] per Equity Share, being the Price Band. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the BRLM, and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and Tamil edition of [●], a regional newspaper each with widecirculation and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company and in consultation with the BRLM, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

At any given point of time there shall be only one denomination of Equity Shares.

### COMPLIANCE WITH DISCLOSURE AND ACCOUNTING NORMS



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 our Articles of Association, our Shareholders shall have the following rights:

1. Right to receive dividends, if declared;
2. Right to attend general meetings and exercise voting rights, unless prohibited by law;
3. Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
4. Right to receive offers for rights shares and be allotted bonus shares, if announced;
5. Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
6. Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
7. Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI LODR Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation or splitting, see “*Main Provisions of the Articles of Association*” beginning on page 259 of this Draft Red Herring Prospectus.

## **ALLOTMENT ONLY IN DEMATERIALIZED FORM**

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

1. Tripartite agreement dated [●] between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
2. Tripartite agreement dated [●] between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

## **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the SME platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

*Further, in accordance with SEBI ICDR Regulations the minimum application size in terms of number of specified securities shall not be less than ₹1.00 Lakh per application.*

## **MINIMUM NUMBER OF ALLOTTEES**

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**

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

## **JURISDICTION**

The courts of Mumbai, Maharashtra, India will have exclusive jurisdiction in relation to this Issue.

## **NOMINATION FACILITY TO BIDDERS**

In accordance with Section 72 of the Companies Act read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by our Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialised mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change their nomination, they are requested to inform their respective Depository Participant.

## **OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM**

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchange.

## **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the Book Running Lead Manager, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the 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 or the Sponsor Bank 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. If the Issue is withdrawn after the designated Date, amounts that have been credited to the Public Issue Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final ROC approval of the Prospectus after it is filed with the ROC. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an Issue, our Company shall file a fresh Prospectus.

## **BID PROGRAM**

An indicative timetable in respect of the Issue is set out below:

<b>Events</b>	<b>Indicative Dates</b>
<b>Bid/Offer Opening Date</b>	[●]
<b>Bid/Offer Closing Date</b>	[●]

<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or about [●]
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account</b>	On or about [●]
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or about [●]
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or about [●]

*Note - Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.*

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

Bid-Cum- Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue Closing Date, the Bid-Cum-Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Bidders 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 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 Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Issue Closing Date, 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).

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchange shall be taken as the final data for the purpose of Allotment.

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

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

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

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

**In case of revision in the Price Band, the Bid/ Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in Price**

**Band, and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of syndicate members.**

#### **MINIMUM SUBSCRIPTION**

*In accordance with Regulation 260 (1) 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 offer through the Draft Red Herring Prospectus and shall not be restricted to the minimum subscription level. Further, 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 Rs. 1,00,000 (Rupees One Lakh) per application.*

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 issue of Prospectus, the application money has to be returned within such period as may be prescribed.

If the issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within 60 (sixty) days from the date of closure of the issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond 8 (eight) days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under Section 39 read with Rule 11 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013 and other applicable laws, if any.

In accordance with SEBI ICDR Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

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.

#### **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the NSE Emerge.

#### **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.

#### **AS PER THE EXTENT GUIDELINES OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed in the section titled “*Capital Structure*” beginning on page 67 of the Draft Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no

restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer sub-heading "Main Provisions of The Articles of Association" on page 259 of the Draft Red Herring Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

#### **ALLOTMENT OF 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.

#### **MIGRATION TO MAIN BOARD**

Our Company may migrate to the main board of BSE on a later date, subject to the following:

If the paid up Capital of the company is more than ₹ 10 crores and up to ₹ 25 crores, we may migrate equity shares to the main board of the stock exchanges if shareholders approve such a migration by passing a special resolution through postal ballot to this effect and if Company fulfils the eligibility criteria for listing laid down by the Main Board

Provided that the special resolution shall be acted upon if and only if the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

OR

Where the post-issue face value capital of the Company listed on a SME exchange is likely to increase beyond twenty five crore rupees by virtue of any further issue of capital by the Company by way of rights issue, preferential issue, bonus issue, etc. the Company shall migrate its specified securities listed on a SME exchange to the Main Board and seek listing of the specified securities proposed to be issued on the Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board:

Provided that no further issue of capital by the Company shall be made unless;

- a) the shareholders of the Company have approved the migration by passing a special resolution through postal ballot wherein the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal;
- b) the Company has obtained an in-principle approval from the Main Board for listing of its entire specified securities on it.

#### **MARKET MAKING**

The shares offered through this Issue are proposed to be listed on the SME platform of BSE Limited, wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of BSE Limited. For further details of the agreement entered into between the Company, the Book Running Lead Manager and the Market Maker please refer to "General Information - Details of the Market Making Arrangements for this Issue" on page 56 of the Draft Red Herring Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

<b>Issue size</b>	<b>Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size)</b>	<b>Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size)</b>
Upto ₹20 Crore	25%	24%
₹ 20 to ₹ 50 Crore	20%	9%
₹ 50 to ₹ 80 Crore	15%	14%
Above ₹ 80 Crore	12%	11%

Further, the Market Maker shall give (2) Two ways quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up face value capital is more than Rs. 10 Crores but less than Rs. 25 Crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE Limited). For further details regarding the salient features and terms of such an issue please refer chapter titled “*Terms of the Issue*” and “*Issue Procedure*” on page 215 and 226 of the Draft Red Herring Prospectus.

### ISSUE STRUCTURE

The Issue comprise of a Public Issue of upto 47,40,000 Equity Shares of Face Value of ₹10/- each fully paid (The “Equity Shares”) for cash at a price of [●] per Equity Shares (including a premium of [●] per equity share) aggregating to [●] lakhs (“the issue”) by our Company of which [●] Equity Shares of [●] each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of [●] Equity Shares of [●] each is hereinafter referred to as the net issue. The Issue and the Net Issue will constitute [●] and [●] respectively of the post issue paid up Equity Share Capital of the Company.

The Issue is being made by way of Book Building Process

Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non - Institutional Investors/Bidders	Retail Individual Investors/Bidders
Number of Equity Shares available for allocation or allotment <sup>(2)</sup>	Upto [●] Equity Shares	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Issue Size available for Allocation or allotment	[●] of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Issue or Issue less allocation to QIB Bidders and RIBs will be available for allocation	Not less than 35% of the Net Issue or Issue less allocation to QIBs and Non-Institutional Bidders will be available for allocation
Basis of Allotment <sup>(3)</sup>	Firm allotment	Proportionate as follows (excluding the Anchor Investor Portion):  (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and	Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares. For details, see “ <i>Issue Procedure</i> ” beginning on page 226 of this Draft Red Herring	Proportionate basis subject to minimum allotment of [●] Equity Shares. For details, see “ <i>Issue Procedure</i> ” beginning on page 226 of this Draft Red Herring Prospectus

Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non - Institutional Investors/Bidders	Retail Individual Investors/Bidders
		<p>(b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.</p> <p>(c) Up to 60% of QIB Portion (of upto [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price</p>	Prospectus	
<b>Mode of Bid</b>	Only through ASBA Process	ASBA only (excluding the UPI Mechanism) except for Anchor Investors <sup>(4)</sup>	Through ASBA Process, Through Banks or by using UPI ID for payment	Through ASBA Process, Through Banks or by using UPI ID for payment
<b>Mode of allotment</b>	Compulsorily in dematerialized form			
<b>Minimum Bid Size</b>	[●] Equity Shares in multiple of [●] Equity shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity shares in multiple of [●] Equity shares that Bid size exceeds Rs 2,00,000	[●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed Rs 2,00,000
<b>Maximum Bid Size</b>	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the offer (excluding the QIB portion), subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed Rs 2,00,000
<b>Bid Lot</b>	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
<b>Trading Lot</b>	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof
<b>Who can apply?</b> <sup>(5)</sup>	Market Maker	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies,	Resident Indian individuals, HUFs (in the name of Karta) and Eligible NRIs applying for Equity Shares such that the



Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non - Institutional Investors/Bidders	Retail Individual Investors/Bidders
		bilateral development financial institutions, mutual funds registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, registered with SEBI, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹250 million, pension fund with minimum corpus of ₹250 million, National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs, in accordance with applicable laws including FEMA Rules.	family offices, trusts, FPIs who are individuals, corporate bodies and family offices	Bid amount does not exceed ₹2.00 Lakhs in value
<b>Terms of Payment</b>	<p><b>In case of all other Bidders:</b> Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.</p> <p><b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids<sup>(6)</sup></p>			

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to “Issue Structure” on page 222 of the Draft Red Herring Prospectus.

- (1) *Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.*
- (2) *In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.*
- (3) *Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.*

*(4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.*

The Bids by FPIs with certain structures as described under “*Issue Procedure*” on page 226 of this Draft Red Herring Prospectus and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

## ISSUE PROCEDURE

All Bidders should read the General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 issued by SEBI and the UPI Circulars (the “**General Information Document**”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the website of the Stock Exchange and the Book Running Lead Manager. 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 the UPI Bidders. 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 Confirmation of Allocation Note (“**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. Pursuant to its circular SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, the SEBI has increased the UPI limit from ₹ 2.00 lakhs to ₹5.00 lakhs for all the individual investors applying in public issues.

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 will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances, which came into force with effect from May 1, 2021, except 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, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, along with the circular issued by the NSE having reference no. 25/2022 dated August 3, 2022. The provisions of these circulars are deemed to form part of this Draft Red Herring Prospectus.

Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

Further, our Company and the Syndicate are not liable for any adverse occurrences’ consequent to the implementation of the UPI Mechanism for application in this Issue.

## BOOK BUILDING PROCEDURE

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “**SCRR**”) read with Regulation 252 of SEBI ICDR Regulations, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229 (2) of Chapter IX of SEBI ICDR Regulations via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis

to QIBs, provided that our Company and may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager, and the Designated Stock Exchange. However, undersubscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchange.

**Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms, which do not have the details of the Bidders' depository account, including DP ID, Client ID, UPI ID (in case of UPI Bidders using the UPI Mechanism) and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.**

#### **PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to three Working Days. Accordingly, upon commencement of the Phase III, the reduced time duration shall be applicable on the Issue.

For further details, refer to the General Information Document available on the website of the Stock Exchange and the Book Running Lead Manager.

Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 issued by SEBI, as amended by the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no.

SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 (the “UPI Streamlining Circular”), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors’ complaints, the relevant SCSB as well as the post- Issue BRLM will be required to compensate the concerned investor.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI.

The Issue is being made under Phase II of the UPI, unless Phase III of the UPI becomes effective and applicable on or prior to the Bid/Issue Opening Date. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Bidders using the UPI.

#### **BID CUM APPLICATION FORM**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the BSE Limited, at least one day prior to the Bid/ Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Issue is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- (i) RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (ii) RIIs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (iii) QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

#### **ANCHOR INVESTORS ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE THROUGH THE ASBA PROCESS.**

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour*
Anchor Investor**	White
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

\*Excluding Electronic Bid cum Application Form

\*\* Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Draft Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<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.
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Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

#### **AVAILABILITY OF DRAFT RED HERRING PROSPECTUS AND BID CUM APPLICATION FORMS**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and BSE ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/ Issue Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

#### **Who can Bid?**

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Kartal. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;

- i) Sub-accounts of 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 Rs. 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 Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.**

**MAXIMUM AND MINIMUM APPLICATION SIZE**

**1. For Retail Individual Bidders**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed Rs. 2,00,000.



## 2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

### **METHOD OF BIDDING PROCESS**

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Pondicherry Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- (a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Pondicherry Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- (b) During the Bid/ Issue Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.
- (c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- (d) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- (e) Except in relation to the Bids received from the Anchor Investors, the BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip,

("TRS"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form

- (f) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. one working day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- (g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in "Escrow Mechanism - Terms of payment and payment into the Escrow Accounts" in the section "Issue Procedure" beginning on page 226 of this Draft Red Herring Prospectus
- (h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- (j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- (k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- e) The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

#### **PARTICIPATION BY ASSOCIATES /AFFILIATES OF BRLM AND THE SYNDICATE MEMBERS**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

#### **OPTION TO SUBSCRIBE IN THE ISSUE**

As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.

The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **INFORMATION FOR THE BIDDERS:**

- 1) Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Draft Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
- 2) Our Company will file the Draft Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
- 3) Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Draft Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
- 4) Any Bidder who would like to obtain the Draft Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
- 5) Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
- 6) Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
- 7) The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
- 8) Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
- 9) Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for

participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.

- 10) The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **BIDS BY ANCHOR INVESTORS:**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 Lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 Lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Issue Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.

- 10) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
- 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

#### **BIDS BY ELIGIBLE NRI'S:**

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

#### **BIDS BY FPI INCLUDING FII'S:**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Offer, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning anyreason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post- Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds,

which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

#### **BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

#### **BIDS BY HUFs**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

#### **BIDS BY MUTUAL FUNDS:**

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### **BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS:**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

#### **BIDS BY INSURANCE COMPANIES:**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;  
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  
the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS UNDER POWER OF ATTORNEY:**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.

- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form.
- e) Our Company in consultation with the BRLM in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

#### **BIDS BY PROVIDENT FUNDS / PENSION FUNDS:**

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

#### **BIDS BY BANKING COMPANY:**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

#### **BIDS BY SCSB'S:**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

#### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE:**

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  
The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders



In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

### **Terms of payment**

The entire Issue price of Rs. [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- a) In case of resident Anchor Investors: - “Swashtik Plascon Limited IPO – Anchor Account- R”
- b) In case of Non-Resident Anchor Investors: - “Swashtik Plascon Limited IPO – Anchor Account- NR”
- c) Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - a) the applications accepted by them,
  - b) the applications uploaded by them
  - c) the applications accepted but not uploaded by them or
  - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - a) The applications accepted by any Designated Intermediaries
  - b) The applications uploaded by any Designated Intermediaries or
  - c) 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:

<b>Sr. No.</b>	<b>Details*</b>
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields

7. With respect to applications by 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 Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
  12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
  13. The Designated Intermediaries will be given time till 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 centres during the Bid/ Issue Period.

#### **Withdrawal of Bids**

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

**Price Discovery and Allocation**

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Issue Price and the Anchor Investor Issue Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

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

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

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

**Signing of Underwriting Agreement and Registering of Red Herring Prospectus/Prospectus with ROC**

- a) Our company has entered into an Underwriting Agreement dated [●]
- b) A copy of Red Herring Prospectus will be registered with the ROC and copy of Prospectus will be registered with ROC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

**Pre- Issue Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Draft Red Herring Prospectus with the ROC, publish a pre- Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre- Issue advertisement, we shall state the Bid Opening Date and the Bid/ Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICRD Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

#### **ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS:**

Our Company will Issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

#### **GENERAL INSTRUCTIONS**

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bid(s) during the Bid Period and withdraw or lower the size of their Bid(s) until Bid/Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid Period.

#### ***Do's:***

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
3. Ensure that you have Bid within the Price Band;
4. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
5. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not a UPI Bidder in the Bid cum Application Form and if you are a UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;
7. UPI Bidders Bidding in the Issue shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party
8. UPI Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs;
9. Ensure that you mandatorily have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
10. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;
11. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

12. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or acknowledgment specifying the application number as a proof of having accepted the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
13. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment.
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 circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008 issued by SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the securities market, and (iii) persons/entities exempt from holding a PAN under applicable law, 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 beneficial 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. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
16. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
17. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;
18. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;
19. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.
20. 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;
21. Since the Allotment will be in dematerialised form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and PAN available in the Depository database;
22. In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form 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));
23. Ensure that you have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Banks, 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 at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

24. Ensure that the Demographic Details are updated, true and correct in all respects;
25. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Issue, which is UPI 2.0 certified by NPCI;
26. Bidders (except UPI Bidders) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIBs, once the Sponsor Banks issues the Mandate Request, the RIBs would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
27. Bidding through UPI Mechanism 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, a UPI Bidder Bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the RIB Bidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Banks issue a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;
28. UPI Bidders should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;
29. UPI Bidders who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Banks to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner;
30. Bids by Eligible NRIs for a Bid Amount of less than ₹2.00 lakhs would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹2.00 lakhs would be considered under the Non-Institutional Category for allocation in the Issue;
31. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019; and
32. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 12:00 p.m. of the Working Day immediately after the Bid/Issue Closing Date.
33. The ASBA bidders shall ensure that bids above ₹5.00 lakhs, are uploaded only by the SCSBs.

**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 Lot;
2. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
3. Do not Bid for a Bid Amount exceed ₹ 2.00 lakhs (for Bids by RIBs) and ₹5.00 lakhs for Bids by Eligible Employees Bidding in the Employee Reservation Portion;
4. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
5. Do not Bid/ revise the Bid amount to less than the Floor Price or higher than the Cap Price;
6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
10. Do not submit the Bid for an amount more than funds available in your ASBA account;
11. 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 Bidder;
12. 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;
13. 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);
14. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
15. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
16. In case of ASBA Bidders (other than UPI Bidders using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;
17. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;
18. Anchor Investors should not bid through the ASBA process;
19. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;
20. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
21. Do not submit the GIR number instead of the PAN;
22. Anchor Investors should submit Anchor Investor Application Form only to the Book Running Lead Manager;
23. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;
24. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/Issue Closing Date;
25. 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. Retail Individual Bidders or Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids on or before the Bid/Issue Closing Date;
26. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are a UPI Bidder and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;
27. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
28. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a UPI Bidder. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Issue;
29. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;



30. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;
31. Do not Bid if you are an OCB;
32. UPI Bidders using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected; and
33. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders.
34. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹5.00 lakhs;

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

#### **Other instructions for the Bidders Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

#### **Multiple Bids**

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid\ cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

#### **Investor Grievance**

In case of any pre- Issue or post Issue related problems regarding demat credit / refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

#### **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

#### **Submission of Bids**

- (a) During the Bid/ Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- (b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- (c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the DRHP.

### **GROUPS OF TECHNICAL REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;

- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the DRHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/ Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;

- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- In case of under subscription in the Offer, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to DRHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

#### **BASIS OF ALLOTMENT**

##### **a) For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The *Allotment* to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

**b) For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

**c) For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

(i) In the first instance allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
- In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
- Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

(ii) In the second instance Allotment to all QIBs shall be determined as follows:

- In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
- Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

**d) ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

(i) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:

- (a) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
- (b) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
- (c) allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to ₹2 crores;
  - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
  - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.
- (ii) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

**(iii) In the event that the Issue Price is higher than the Anchor Investor Allocation Price:**

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors

**(iv) In the event the Issue Price is lower than the Anchor Investor Allocation Price:**

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

**(v) Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Issue:**

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the 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 [●] equity shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this DRHP.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with 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 a valid, binding and irrevocable contract for the Allotment to such Bidder.

3. Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

### **DESIGNATED DATE:**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE

i.e. [www.bseindia.com](http://www.bseindia.com) NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No.CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) NSE i.e. [www.nseindia.com](http://www.nseindia.com)

### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain 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 Offer, 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

#### **Right to Reject Applications**

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

#### **IMPERSONATION**

**Attention of the bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 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, for fraud involving an amount of at least ₹10.00 lakhs or 1% 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 ₹10.00 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 ₹50.00 lakhs or with both.

#### **UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

- 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 Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Bid/Issue Closing Date or within such other time period prescribed by SEBI will be taken;
- the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- if Allotment is not made within the prescribed timelines under applicable laws, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable laws. If there is a delay beyond such prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and other applicable laws for the delayed period;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- the Promoter’s contribution, if any, shall be brought in advance before the Bid/Issue Opening Date, in accordance with the applicable provisions of the SEBI ICDR Regulations;
- that if our Company does not proceed with the Issue after the Bid/Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre- Issue advertisements were published. The Stock Exchanges shall be informed promptly;
- that if the Issue is withdrawn after the Bid/Issue Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event a decision is taken to proceed with the Issue subsequently; and
- no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the relevant ASBA Accounts on account of non-listing, under-subscription, etc.



## **UTILISATION OF ISSUE PROCEEDS**

The Board of Directors of our Company certifies that:

- (i) All the monies received out of the Issue shall be credited / transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.
- (ii) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- (iii) Details of all unutilized monies out of the Offer, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- (iv) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue
- (v) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- (vi) The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

### **Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- (a) Tripartite Agreement dated [●] between NSDL, the Company and the Registrar to the Issue;
- (b) Tripartite Agreement dated [●] between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. INE0RDR01012

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The DIPP, has issued consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), effective from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI and Master Direction –Foreign Investment In India (updated upto March 08, 2019). In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular and Master Direction. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2020 has to be obtained.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2020 and amendments from time to time thereupon, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017 as amended from time to time. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral /statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral /statutory cap.

### **Investment by FPIs under Portfolio Investment Scheme (PIS)**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

**Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognized stock exchange in India by Non- Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 as amended from time to time. The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

**Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2020, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

## SECTION X – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Pursuant to Schedule I of the Companies Act, and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

Sr. No	Particulars	
1.	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>Table F Not Applicable.</b>
	<b>Interpretation Clause</b>	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	<b>Act</b>
	(b) “These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	<b>Articles</b>
	(c) “Auditors" means and includes those persons appointed as such for the time being of the Company.	<b>Auditors</b>
	(d) “Capital” means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	<b>Capital</b>
	(e) “The Company” shall mean Swashtik Plascon Limited*	
	(f) “Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	<b>Executor or Administrator</b>
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	<b>Legal Representative</b>
	(h) Words importing the masculine gender also include the feminine gender.	<b>Gender</b>
	(i) "In Writing" and “Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	<b>In Writing and Written</b>
	(j) The marginal notes hereto shall not affect the construction thereof.	<b>Marginal notes</b>
	(k) “Meeting” or “General Meeting” means a meeting of members.	<b>Meeting or General Meeting</b>
	(l) "Month" means a calendar month.	<b>Month</b>
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of	<b>Annual General Meeting</b>

<b>Sr. No</b>	<b>Particulars</b>	
	the Act.	
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	<b>Extra-Ordinary General Meeting</b>
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	<b>National Holiday</b>
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	<b>Non-retiring Directors</b>
	(q) "Office" means the registered Office for the time being of the Company.	<b>Office</b>
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	<b>Ordinary and Special Resolution</b>
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	<b>Person</b>
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	<b>Proxy</b>
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	<b>Register of Members</b>
	(v) "Seal" means the common seal for the time being of the Company.	<b>Seal</b>
	(w) "Special Resolution" shall have the meanings assigned to it by Section 114 of the Act.	<b>Special Resolution</b>
	(x) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	<b>Singular number</b>
	(y) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	<b>Statutes</b>
	(z) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	<b>These presents</b>
	(aa) "Variation" shall include abrogation; and "vary" shall include abrogate.	<b>Variation</b>
	(bb) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	<b>Year and Financial Year</b>
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	<b>Expressions in the Act to bear the same meaning in Articles</b>
	<b>CAPITAL</b>	
<b>3.</b>	a) 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.	<b>Authorized Capital.</b>
	b) The minimum paid up Share capital of the Company shall be Rs.5,00,000/- or such other higher sum as may be prescribed in the Act from time to time.	
<b>4.</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 64of the Act.	<b>Increase of capital by the Company how carried into effect</b>
<b>5.</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	<b>New Capital same as existing capital</b>

Sr. No	Particulars	
	be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	
6.	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.	<b>Non - Voting Shares</b>
7.	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.	<b>Redeemable Preference Shares</b>
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	<b>Voting rights of preference shares</b>
9.	<p>On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions-shall take effect:</p> <p>(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;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(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;</p> <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 55of 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>	<b>Provisions to apply on issue of Redeemable Preference Shares</b>
10.	<p>The Company may (subject to the provisions of sections 52, 55, 56, 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>	<b>Reduction of capital</b>
11.	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	<b>Debentures</b>

Sr. No	Particulars	
	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.	
12.	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.	<b>Issue of Sweat Equity Shares</b>
13.	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.	<b>ESOP</b>
14.	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.	<b>Buy Back of shares</b>
15.	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.	<b>Consolidation, Sub-Division and Cancellation</b>
16.	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.	<b>Issue of Depository Receipts</b>
17.	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.	<b>Issue of Securities</b>
	<b>MODIFICATION OF CLASS RIGHTS</b>	
18.	(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, 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. 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.	<b>Modification of rights</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 pari passu therewith.	<b>New Issue of Shares not to affect rights attached to existing shares of that class.</b>
19.	Subject to the provisions of Section 62 of the Act and these Articles,	<b>Shares at the disposal of the</b>

Sr. No	Particulars	
	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>Directors.</b>
20.	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>Power to issue shares on preferential basis.</b>
21.	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>Shares should be Numbered progressively and no share to be subdivided.</b>
22.	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>Acceptance of Shares.</b>
23.	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>Directors may allot shares as full paid-up</b>
24.	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>Deposit and call etc.to be a debt payable immediately.</b>
25.	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>Liability of Members.</b>
26.	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.	<b>Registration of Shares.</b>
	<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.	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each	<b>Share Certificates.</b>



Sr. No	Particulars	
	<p>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.	<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</p>	<p><b>Issue of new certificates in place of those defaced, lost or destroyed.</b></p>

Sr. No	Particulars	
	<p>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>	
30.	(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>The first named joint holder deemed Sole holder.</b>
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	<b>Maximum number of joint holders.</b>
31.	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>Company not bound to recognise any interest in share other than that of registered holders.</b>
32.	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>Installment on shares to be duly paid.</b>
<b>UNDERWRITING AND BROKERAGE</b>		
33.	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>Commission</b>
34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	<b>Brokerage</b>
<b>CALLS</b>		
35.	<p>(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.</p> <p>(2) A call may be revoked or postponed at the discretion of the Board.</p> <p>(3) A call may be made payable by installments.</p>	<b>Directors may make calls</b>
36.	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>Notice of Calls</b>

Sr. No	Particulars	
37.	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>Calls to date from resolution.</b>
38.	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>Calls on uniform basis.</b>
39.	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>Directors may extend time.</b>
40.	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 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.	<b>Calls to carry interest.</b>
41.	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.	<b>Sums deemed to be calls.</b>
42.	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, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money 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.	<b>Proof on trial of suit for money due on shares.</b>
43.	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.	<b>Judgment, decree, partial payment motto proceed for forfeiture.</b>
44.	(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	<b>Payments in Anticipation of calls may carry interest</b>

Sr. No	Particulars	
	<p>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.	<p>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.</p>	<b>Company to have Lien on shares.</b>
46.	<p>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, fulfillment of discharge of such debts, liabilities or engagements for seven days 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.</p>	<b>As to enforcing lien by sale.</b>
47.	<p>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.</p>	<b>Application of proceeds of sale.</b>
	<b>FORFEITURE AND SURRENDER OF SHARES</b>	
48.	<p>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</p>	<b>If call or installment not paid, notice maybe given.</b>

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	<p>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.</p>	
49.	<p>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.</p> <p>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.</p>	<b>Terms of notice.</b>
50.	<p>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.</p>	<b>On default of payment, shares to be forfeited.</b>
51.	<p>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.</p>	<b>Notice of forfeiture to a Member</b>
52.	<p>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.</p>	<b>Forfeited shares to be property of the Company and may be sold etc.</b>
53.	<p>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.</p>	<b>Members still liable to pay money owing at time of forfeiture and interest.</b>
54.	<p>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.</p>	<b>Effect of forfeiture.</b>
55.	<p>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.</p>	<b>Evidence of Forfeiture.</b>
56.	<p>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</p>	<b>Title of purchaser and allottee of Forfeited shares.</b>



Sr. No	Particulars	
	share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	
57.	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>Cancellation of share certificate in respect of forfeited shares.</b>
58.	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>Forfeiture may be remitted.</b>
59.	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>Validity of sale</b>
60.	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>Surrender of shares.</b>
<b>TRANSFER AND TRANSMISSION OF SHARES</b>		
61.	(a) Subject to provisions of Article 82, 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>Execution of the instrument of shares.</b>
62.	Subject to provisions of Article 82, 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. The instrument of transfer shall be in a common form approved by the Exchange;	<b>Transfer Form.</b>
63.	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 and shares under transfer are in dematerialized form and a proper instrument of transfer is delivered through depository participant. 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>Transfer not to be registered except in dematerialized form and on production of instrument of transfer.</b>
64.	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.	<b>Directors may refuse to register transfer.</b>

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	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;	
65.	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.	<b>Notice of refusal to be given to transferor and transferee.</b>
66.	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.	<b>No fee on transfer.</b>
67.	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.	<b>Closure of Register of Members or debenture holder or other security holders.</b>
68.	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.	<b>Custody of transfer Deeds.</b>
69.	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.	<b>Application for transfer of partly paid shares.</b>
70.	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.	<b>Notice to transferee.</b>
71.	<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>	<b>Recognition of legal representative.</b>
72.	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the	<b>Titles of Shares of deceased Member</b>

Sr. No	Particulars	
	<p>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.</p>	
73.	<p>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.</p>	<p><b>Notice of application when to be given</b></p>
74.	<p>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'.</p>	<p><b>Registration of persons entitled to share otherwise than by transfer (transmission clause).</b></p>
75.	<p>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.</p>	<p><b>Refusal to register nominee.</b></p>
76.	<p>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.</p>	<p><b>Board may require evidence of transmission.</b></p>
77.	<p>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</p>	<p><b>Company not liable for disregard of a notice prohibiting registration of transfer.</b></p>



Sr. No	Particulars	
	and attend to any such notice and give effect thereto, if the Directors shall so think fit.	
78.	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>Form of transfer Outside India.</b>
79.	No transfer shall be made to any minor, insolvent or person of unsound mind.	<b>No transfer to insolvent etc.</b>
<b>NOMINATION</b>		
80.	<p>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.</p> <p>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</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>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.</p>	<b>Nomination</b>
81.	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <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>Transmission of Securities by nominee</b>
<b>DEMATERIALISATION OF SHARES</b>		
82.	<p>Subject to the provisions of the Act and Rules made thereunder the Company will offer its members facility to hold securities issued by it in dematerialized form.</p> <p>All the fresh securities to be issued by the company will be in dematerialized form.</p> <p>Any person seeking transfer of shares, shall first get his / her shares dematerialized before execution of instrument of transfer.</p>	<b>Dematerialisation of Securities</b>

<b>Sr. No</b>	<b>Particulars</b>	
	<b>JOINT HOLDER</b>	
<b>83.</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>Joint Holders</b>
<b>84.</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>Joint and several liabilities for all payments in respect of shares.</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>Title of survivors.</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>Receipts of one sufficient.</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>Delivery of certificate and giving of notices to first named holders.</b>
	<b>SHARE WARRANTS</b>	
<b>85.</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>Power to issue share warrants</b>
<b>86.</b>	(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. (b) Not more than one person shall be recognized as depositor of the Share warrant. (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.	<b>Deposit of share warrants</b>
<b>87.</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>Privileges and disabilities of the holders of share warrant</b>
<b>88.</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>Issue of new share warrant coupons</b>
	<b>CONVERSION OF SHARES INTO STOCK</b>	

Sr. No	Particulars	
89.	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>Conversion of shares into stock or reconversion.</b>
90.	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>Transfer of stock.</b>
91.	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>Rights of stockholders.</b>
92.	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>Regulations.</b>
<b>BORROWING POWERS</b>		
93.	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, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, 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>Power to borrow.</b>
94.	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>Issue of discount etc. or with special privileges.</b>
95.	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 Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	<b>Securing payment or repayment of Moneys borrowed.</b>

Sr. No	Particulars	
96.	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.	<b>Bonds, Debentures etc. to be under the control of the Directors.</b>
97.	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.	<b>Mortgage of uncalled Capital.</b>
98.	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 surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	<b>Indemnity may be given.</b>
<b>MEETINGS OF MEMBERS</b>		
99.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	<b>Distinction between AGM &amp; EGM.</b>
100.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	<b>Extra-Ordinary General Meeting by Board and by requisition</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.	<b>When a Director or any two Members may call an Extra Ordinary General Meeting</b>
101.	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.	<b>Meeting not to transact business not mentioned in notice.</b>
102.	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 Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	<b>Chairman of General Meeting</b>
103.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	<b>Business confined to election of Chairman whilst chair is vacant.</b>
104.	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.	<b>Chairman with consent may adjourn meeting.</b>

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	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.	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.	<b>Chairman's casting vote.</b>
106.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	<b>In what case poll taken without adjournment.</b>
107.	The demand for a poll except on the question of the election of the 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>Demand for poll not to prevent transaction of other business.</b>
<b>VOTES OF MEMBERS</b>		
108.	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>Members in arrears not to vote.</b>
109.	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>Number of votes each member entitled.</b>
110.	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>Casting of votes by a member entitled to more than one vote.</b>
111.	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>Vote of member of unsound mind and of minor</b>
112.	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>Postal Ballot</b>
113.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	<b>E-Voting</b>
114.	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	<b>Votes of joint members.</b>



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	Articles be deemed joints holders thereof. b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	
115.	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>Votes may be given by proxy or by representative</b>
116.	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>Representation of a body corporate.</b>
117.	(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>Members paying money in advance.</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>Members not prohibited if share not held for any specified period.</b>
118.	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>Votes in respect of shares of deceased or insolvent members.</b>
119.	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>No votes by proxy on show of hands.</b>
120.	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>Appointment of a Proxy.</b>
121.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	<b>Form of proxy.</b>
122.	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	<b>Validity of votes given by proxy notwithstanding death of a member.</b>

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	before the meeting or adjourned meeting at which the proxy is used.	
<b>123.</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>Time for objections to votes.</b>
<b>124.</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>Chairperson of the Meeting to be the judge of validity of any vote.</b>
	<b>DIRECTORS</b>	
<b>125.</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 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>Number of Directors</b>
<b>126.</b>	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	<b>Qualification shares.</b>
<b>127.</b>	<p>(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</p> <p>(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.</p> <p>(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 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>	<b>Nominee Directors.</b>
<b>128.</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.	<b>Appointment of alternate Director.</b>
<b>129.</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.	<b>Additional Director</b>
<b>130.</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	<b>Directors power to fill casual vacancies.</b>

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	appointed would have held office if it had not been vacated by him.	
131.	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.	<b>Sitting Fees.</b>
132.	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>Travelling expenses Incurred by Director on Company's business.</b>
<b>PROCEEDING OF THE BOARD OF DIRECTORS</b>		
133.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (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.	<b>Meetings of Directors.</b>
134.	a) The Directors may from time to time elect from among their members a Chairperson 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 Directors present may choose one of the Directors then present to preside at the meeting. 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.	<b>Chairperson</b>
135.	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 will have a second or casting vote.	<b>Questions at Board meeting how decided.</b>
136.	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.	<b>Continuing directors may act notwithstanding any vacancy in the Board</b>
137.	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 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 fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	<b>Directors may appoint committee.</b>
138.	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>Committee Meeting show to be governed.</b>
139.	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>Chairperson of Committee Meetings</b>
140.	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	<b>Meetings of the Committee</b>



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	case of an equality of votes, the Chairperson shall have a second or casting vote.	
141.	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>Acts of Board or Committee shall be valid notwithstanding defect in appointment.</b>
	<b>RETIREMENT AND ROTATION OF DIRECTORS</b>	
142.	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>Power to fill casual vacancy</b>
	<b>POWERS OF THE BOARD</b>	
143.	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>Powers of the Board</b>
144.	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>Certain powers of the Board</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 acquire any property, rights etc.</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 take on Lease.</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 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 erect &amp; construct.</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	<b>To pay for property.</b>

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	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.	
(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 insure properties of the Company.</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 open Bank accounts.</b>
(7)	To secure the fulfillment 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 secure contracts by way of mortgage.</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 accept surrender of shares.</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 appoint trustees for the Company.</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>To conduct legal proceedings.</b>
(11)	To act on behalf of the Company in all matters relating to bankruptcy insolvency.	<b>Bankruptcy &amp; Insolvency</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 issue receipts &amp; give discharge.</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 invest and deal with money of the Company.</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 give Security byway of indemnity.</b>
(15)	To determine from time to time persons who shall be entitled to	<b>To determine signing powers.</b>

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	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.	
(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>Commission or share in profits.</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>Bonus etc. to employees.</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>Transfer to Reserve Funds.</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 and remove officers and other employees.</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	<b>To appoint Attorneys.</b>

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	<p>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.</p>	
	(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 enter into contracts.</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 make rules.</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 effect contracts 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 apply &amp; obtain concessions licenses etc.</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 pay commissions or interest.</b>
	(26) To redeem preference shares.	<b>To redeem preference shares.</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.	<b>To assist charitable or benevolent institutions.</b>
	(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	

Sr. No	Particulars	
	<p>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.</p>	
	<p>(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.</p> <p>(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.</p> <p>(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.</p> <p>(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 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.	<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 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</p>	<p><b>Powers to appoint Managing/Whole Time Directors.</b></p>



Sr. No	Particulars	
	<p>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 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.	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.	<b>Remuneration of Managing or Whole Time Director.</b>
147.	<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 Directors or Wholetime 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> <p>(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.</p>	<b>Powers and duties of Managing Director or Whole-Time Director.</b>
	<b>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</b>	
148.	<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</p>	<b>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer</b>

Sr. No	Particulars	
	<p>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.	<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>	<b>The seal, its custody and use.</b>
150.	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>Deeds how executed.</b>
	<b>Dividend and Reserves</b>	
151.	<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>	<b>Division of profits.</b>
152.	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.	<b>The company in General Meeting may declare Dividends.</b>
153.	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	<b>Transfer to reserves</b>

Sr. No	Particulars	
	<p>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.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	
154.	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.	<b>Interim Dividend.</b>
155.	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.	<b>Debts may be deducted.</b>
156.	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.	<b>Capital paid up in advance not to earn dividend.</b>
157.	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.	<b>Dividends in proportion to amount paid-up.</b>
158.	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.	<b>Retention of dividends until completion of transfer under Articles.</b>
159.	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.	<b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.</b>
160.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	<b>Effect of transfer of shares.</b>
161.	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.	<b>Dividend to joint holders.</b>
162.	<p>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.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>	<b>Dividends how remitted.</b>
163.	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.	<b>Notice of dividend.</b>
164.	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>No interest on Dividends.</b>
<b>CAPITALIZATION</b>		
165.	(1) The Company in General Meeting may, upon the	<b>Capitalization.</b>



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	<p>recommendation of the Board, resolve:</p> <p>(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</p> <p>(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.</p> <p>(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:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(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</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(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 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>	
<p><b>166.</b></p>	<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>	<p><b>Fractional Certificates.</b></p>
<p><b>167.</b></p>	<p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of</p>	<p><b>Inspection of Minutes Books of General Meetings.</b></p>

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	<p>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.	<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>Inspection of Accounts</b>
<b>FOREIGN REGISTER</b>		
169.	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>Foreign Register.</b>
<b>DOCUMENTS AND SERVICE OF NOTICES</b>		
170.	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.	<b>Signing of documents &amp; notices to be served or given.</b>
171.	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>Authentication of documents and proceedings.</b>
<b>WINDING UP</b>		
172.	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</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.	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	<b>Directors' and others right to indemnity.</b>

Sr. No	Particulars	
	<p>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 favor, 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>	
<p><b>174.</b></p>	<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>	<p><b>Not responsible for acts of others</b></p>
	<p><b>SECRECY</b></p>	
<p><b>175.</b></p>	<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>	<p><b>Secrecy</b></p>
	<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>	<p><b>Access to property information etc.</b></p>

## SECTION XI – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Draft Red Herring Prospectus, delivered to the Registrar of Companies, for registration. Copies of the above-mentioned contracts and also the documents for inspection referred to hereunder, may be inspected online with Registrar of Companies and at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Draft Red Herring Prospectus until the Bid/Issue Closing Date. Also, the below-mentioned contracts and also the documents are available for inspection online at website of Company i.e., [www.swashthikplascon.com](http://www.swashthikplascon.com)

#### MATERIAL CONTRACTS

1. Issue Agreement dated September 29, 2023 between our Company and the Lead Manager.
2. Registrar Agreement dated September 29, 2023 between our Company and the Registrar to the Issue.
3. Market Making Agreement dated [●] between our Company, the Lead Manager and Market Maker.
4. Underwriting Agreement dated September 29, 2023 between our Company, the Lead Manager and the Underwriter.
5. Banker(s) to the Issue Agreement dated [●] between our Company, the Lead Manager, Banker(s) to the Issue Agreement and the Registrar to the Issue.
6. Tripartite agreement between the CDSL, our Company and the Registrar to the Issue dated [●].
7. Tripartite agreement between the NSDL, our Company and the Registrar to the Issue dated [●].

#### MATERIAL DOCUMENTS

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated May 05, 2011 issued by the Registrar of Companies, Chennai.
3. Certificate of Incorporation dated June 13, 2023 issued by the Registrar of Companies, Pondicherry consequent upon name change.
4. Fresh Certificate of Incorporation dated July 17, 2023 issued by the Registrar of Companies, Chennai consequent upon Conversion of the Company to Public Company.
5. Copy of the Board Resolution dated September 15, 2023 authorizing the Issue and other related matters.
6. Copy of Shareholder's Resolution dated September 15, 2023 authorizing the Issue and other related matters.
7. Copies of Standalone and Consolidated Audited Financial Statements of our Company for the years ended March 31, 2023, 2022 & 2021.
8. Peer Review Auditors Report dated September 25, 2023 on Restated Consolidated and Standalone Financial Statements of our Company for the years ended March 31, 2023, 2022 & 2021.
9. Copy of the Statement of Tax Benefits dated September 27, 2023 from the Statutory Auditor.
10. Consents of the Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Banker to our Company, Banker to the Issue, Sponsor Bank, Statutory Auditor of the Company, Peer Review Auditor, Promoters of our Company, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, as referred to, in their respective capacities.
11. Board Resolution dated September 25, 2023 for approval of Draft Red Herring Prospectus, dated [●] for approval of Red Herring Prospectus and dated [●] for approval of Prospectus.

12. Due Diligence Certificate from Book Running Lead Manager dated [●] filed with SEBI.
13. Approval from BSE Limited vide letter dated [●] to use the name of BSE Limited in the Prospectus for listing of Equity Shares on the BSE SME.

Any of the contracts or documents mentioned in the Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, with the consent of shareholder's subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/ 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 while issuing the Draft Red Herring Prospectus. No statement made in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. We further certify that all the statements made in the Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/- <b>Mr. Mahendrakumar Gautam</b> Managing Director <b>DIN: 10314526</b>	Sd/- <b>Mr. Parasmal Mahendra Kumar</b> Chairman and Non-Executive Director <b>DIN: 00163647</b>
Sd/- <b>Mr. Parasmal Ravindra Kumar</b> Non-Executive Director <b>DIN: 00666885</b>	Sd/- <b>Mrs. Kavitha Gulacha</b> Non-Executive Director <b>DIN: 03174030</b>
Sd/- <b>Mrs. Sujathaa Mehta</b> Non-Executive Independent Director <b>DIN: 10302401</b>	Sd/- <b>Mrs. Sheetal Shah</b> Non-Executive Independent Director <b>DIN: 10302403</b>
Sd/- <b>Mr. Mohanraj Perumal</b> Non-Executive Independent Director <b>DIN: 10302401</b>	Sd/- <b>Mrs. Kavitha Gulacha</b> Non-Executive Independent Director <b>DIN: 09274403</b>

### SIGNED BY THE CFO AND CS OF OUR COMPANY

Sd/- <b>Mr. Pawan Kumar Chamaria</b> Chief Financial Officer	Sd/- <b>Mr. Madras Uthandavelu Ravi Kumar</b> Company Secretary and Compliance Officer
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**Date:** September 30, 2023

**Place:** Pondicherry