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**Draft Prospectus**

Dated: July 16, 2024

**Fixed Price Issue**

Please read section 26 & 28 of the Companies Act, 2013

## NARMADESH BRASS INDUSTRIES LIMITED

**Corporate Identification Number: U24209GJ2023PLC145839**

REGISTERED OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
Plot No. 5, 8 & 9, Survey No. 433, Shree Ganesh Industrial Hub, Changa Village, Jamnagar - 361 012, Gujarat, India	Ms. Hetal Vachhani Company Secretary and Compliance Officer	Email: <a href="mailto:info@narmadeshbrass.com">info@narmadeshbrass.com</a> Tel No.: +91 028 95299401	<a href="http://www.narmadeshbrass.com">www.narmadeshbrass.com</a>

**PROMOTERS OF OUR COMPANY: SPRAYKING LIMITED, MR. HITESH PRGAJIBHAI DUDHAGARA AND MRS. RONAK HITESH DUDHAGARA**

### DETAILS OF OFFER TO PUBLIC

TYPE AND FACE VALUE OF EQUITY SHARES	FRESH ISSUE SIZE	OFFER FOR SALE	TOTAL OFFER SIZE	ELIGIBILITY
Fresh Issue and an Offer for Sale	Upto 3,50,000 Equity Shares at the Issue Price of Rs. [●] each aggregating Rs [●] Lakhs	Upto 3,00,000 Equity Shares aggregating up to Rs. [●] Lakhs	Upto 6,50,000 Equity Shares at the Issue Price of Rs.[●] each aggregating Rs. [●] Lakhs	This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. The Issue is being made pursuant to Regulation 229(1) of SEBI (ICDR) Regulations, as the Company's post issue paid up capital is less than or equal to Rs. 1000.00 lakhs.

### DETAILS OF SELLING SHAREHOLDER, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION

NAME OF SELLING SHAREHOLDER	TYPE	NUMBER OF SHARES OFFERED	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*
Mr. Hitesh Pragajibhai Dudhagara	Promoter and selling shareholder	Upto 1,50,000 Equity Shares aggregating up to ₹[●] Lakhs	10.00
Mrs. Ronak Hitesh Dudhagara	Promoter and selling shareholder	Upto 1,50,000 Equity Shares aggregating up to ₹[●] Lakhs	10.00

\* As certified by the M/s. B B Gusani & Associates, Chartered Accountants pursuant to their certificate dated July 11, 2024.

### RISKS IN RELATION TO THE FIRST OFFER

This being the first Public Offer of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs.10/- each and the Issue Price of Rs. [●] is [●] times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under "Basis for Offer Price" beginning on page no. 84 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer 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 Offer. For taking an investment decision, investors must rely on their own examination of the Issuer and this Offer, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Draft Prospectus. **Specific attention of the investors is invited to 'Risk Factors' on page 29.**

### OUR COMPANY'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, the Selling Shareholder accepts responsibility for and confirms that the statements made or confirmed by such Selling Shareholder in this Draft Prospectus to the extent of information specifically pertaining to him and his portion of the Equity Shares offered in the Offer for Sale and assume responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

### LISTING

The Equity Shares offered through the Draft Prospectus are proposed to be listed on Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge"). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In Principal Approval Letter dated [●] from National Stock Exchange of India Limited (NSE) for using its name in this offer document for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Offer, the designated Stock Exchange will be the National Stock Exchange of India Limited("NSE").

LEAD MANAGER TO THE OFFER		REGISTRAR TO THE OFFER	
Name of the Lead Manager to the Offer Wealth Mine Networks Private Limited	Name of Contact Person: Mr. Jay Trivedi Tel. No.: +77788 67143 Email: <a href="mailto:info@wealthminenetworks.com">info@wealthminenetworks.com</a>	Name of the Registrar to the Offer KFIN Technologies Limited	Name of Contact Person: Mr. M Murli Krishna Tel No.: +91 40 6716 2222 E-mail: <a href="mailto:narmadesh.ipo@kfintech.com">narmadesh.ipo@kfintech.com</a>

### OFFER PROGRAMME

OFFER OPENS ON:	[●]
OFFER CLOSSES ON:	[●]



## NARMADESH BRASS INDUSTRIES LIMITED

**Corporate Identification Number: U24209GJ2023PLC145839**

Our Company was originally formed as a partnership firm under the Indian Partnership Act, 1932 with the registrar of firm Jamnagar vide Registration No. GUJRJ202456 in the name and style of "M/s. Narmada Brass Industries", pursuant to a deed of partnership entered on August 29, 2019. Further the Partnership Firm "M/s. Narmada Brass industries" was converted into Public Limited Company "Narmadesh Brass Industries Limited" pursuant to Part I of chapter XXI of the Companies Act, 2013 vide Certificate of Incorporation dated October 30, 2023 by Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U24209GJ2023PLC145839. For further details, please refer to chapter titled "Our History and Certain Corporate Matters" beginning on page 125 of this Draft Prospectus.

**Registered Office:** Plot No. 5, 8 & 9, Survey No. 433, Shree Ganesh Industrial Hub, Changa Village, Jamnagar - 361 012, Gujarat, India; **Tel. No.:** +91 028 95299401;

**Email:** [info@narmadeshbrass.com](mailto:info@narmadeshbrass.com); **Website:** [www.narmadeshbrass.com](http://www.narmadeshbrass.com); **Contact Person:** Ms. Hetal Vachhani, Company Secretary & Compliance Officer

**PROMOTERS OF OUR COMPANY: SPRAYKING LIMITED, MR. HITESH PRAGAJIBHAI DUDHAGARA AND MRS. RONAK HITESH DUDHAGARA**

INITIAL PUBLIC OFFERING OF UPTO 6,50,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH ("EQUITY SHARES") OF NARMADESH BRASS INDUSTRIES LIMITED ("OUR COMPANY" OR "THE ISSUER COMPANY") FOR CASH AT A PRICE RS. [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING TO RS. [●] LAKHS, THE OFFER COMPRISES FRESH ISSUE OF UPTO 3,50,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] LAKHS ("FRESH ISSUE") AND AN OFFER FOR SALE OF UPTO 3,00,000 EQUITY SHARES BY OUR SELLING SHAREHOLDER AGGREGATING UP TO ₹ [●] LAKHS (THE "SELLING SHAREHOLDER") (THE "OFFER FOR SALE", AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER"). OUT OF WHICH UPTO 36,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR A CASH PRICE OF RS. [●] PER EQUITY SHARE, AGGREGATING TO RS. [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UPTO 6,14,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH AT AN ISSUE PRICE OF RS. [●] PER EQUITY SHARE AGGREGATING TO RS. [●] LAKHS (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 OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "TERMS OF THE OFFER" BEGINNING ON PAGE NO. 236 OF THIS DRAFT PROSPECTUS.

**THIS OFFER IS BEING MADE IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI (ICDR) REGULATIONS"), AS AMENDED. IN TERMS OF RULE 19(2)(b) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED, THIS IS AN ISSUE FOR AT LEAST 25% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THIS OFFER IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253 OF THE SEBI (ICDR) REGULATIONS, AS AMENDED. FOR FURTHER DETAILS, SEE "OFFER PROCEDURE" ON PAGE 245 OF THE DRAFT PROSPECTUS.**

All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details of the irrelative bank accounts and/or UPI IDs, in case of RIIs, if applicable, which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regards, specific attention is invited to "Offer Procedure" on page 245. A copy of the Draft Prospectus will be delivered for registration to the Registrar of companies as required under Section 26 of the Companies Act, 2013.

**THE FACE VALUE OF THE EQUITY SHARES IS RS. 10.00 EACH AND THE OFFER PRICE OF RS. [●] IS [●] TIME OF THE FACE VALUE**

### RISKS IN RELATION TO THE FIRST OFFER

This being the first offer of the Issuer, there has been no formal market for the securities of our Company. The face value of the Equity Shares of our Company is ₹10.00. The Issue Price should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of our Company nor regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer 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 Offer. For taking an investment decision, investors must rely on their own examination of the Issuer and this Offer, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Draft Prospectus. **Specific attention of the investors is invited to the statement of 'Risk Factors' given on page 29 under the section 'General Risks'.**

### OUR COMPANY'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, the Selling Shareholder accepts responsibility for and confirms that the statements made or confirmed by such Selling Shareholder in this Draft Prospectus to the extent of information specifically pertaining to him and his portion of the Equity Shares offered in the Offer for Sale and assume responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

### LISTING

The Equity Shares offered through this Draft Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ("Emerge Platform of NSE"). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated [●] from National Stock Exchange of India Limited ("NSE") for using its name in the offer document for listing of our shares on the Emerge Platform of NSE. For the purpose of the Offer, the Designated Stock Exchange will be National Stock Exchange of India Limited ("NSE"). A copy of Draft Prospectus will be delivered for registration to the Registrar of Companies as required under Section 26 of Companies Act, 2013.

### LEAD MANAGER TO THE OFFER



#### Wealth Mine Networks Private Limited

215 B, Manek Centre, P N Marg, Jamnagar-361 001, Gujarat, India.

**Tel No.:** +91 77788 67143

**Email:** [info@wealthminenetworks.com](mailto:info@wealthminenetworks.com)

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

**Contact Person:** Mr. Jay Trivedi

**Investor Grievance E-mail:** [complaints@wealthminenetworks.com](mailto:complaints@wealthminenetworks.com)

**SEBI Registration No:** INM000013077

### REGISTAR TO THE OFFER



#### KFIN Technologies Limited

Selenium Tower-B, Plot No 31 and 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500032, Telangana, India.

**Tel No.:** +91 40 6716 2222

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

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

**Contact Person:** Mr. M. Murli Krishna

**Investor Grievance E-mail:** [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

**SEBI Registration No:** INR000000221

### OFFER PROGRAMME

**OFFER OPENS ON: [●]**

**OFFER CLOSES ON: [●]**

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## **SECTION I – GENERAL**

### **DEFINITIONS AND ABBREVIATIONS**

This Draft 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 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 the sections “Statement of Possible Special Tax Benefits”, “Financial Information” and “Main Provisions of the Articles of Association” on page 89, 153, and 278 respectively, shall have the meaning ascribed to such terms in such sections.

#### **General Terms**

<b>TERM</b>	<b>DESCRIPTION</b>
“NBIL”, “the Company”, “our Company”, “Issuer” and “Narmadesh Brass Industries Limited”	Narmadesh Brass Industries Limited, a Company incorporated in India under the Companies Act, 2013, having its Registered office at Plot No. 5, 8 & 9, Survey No. 433, Shree Ganesh Industrial Hub, Changa Village, Jamnagar- 361012, Gujarat, India.
“we”, “us”, or “our”	Unless the context otherwise indicates or implies, refers to our Company.

#### **Company Related Terms**

<b>TERM</b>	<b>DESCRIPTION</b>
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
Articles / Articles of Association / AoA	The Articles / Articles of Association of our Company, as amended from time to time.
Audit Committee	The Audit committee of the Board of Directors constituted in accordance with in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013. For details, see “Our Management” on page 128 of this Draft Prospectus.
Auditor / Statutory Auditor/ Peer Review Auditor	Statutory and peer review auditor of our Company, namely, M/s. B. B. Gusani & Associates, Chartered Accountants, with Membership No. 120710 and Firm Registration No. 140785W.
Board / Board of Directors	Board of Directors of our Company or a duly constituted committee thereof.
Chief Financial Officer / CFO	Mr. Hiren Jamanbhai Patoriya, the Chief Financial Officer of our Company.
Company Secretary and Compliance Officer	Ms. Hetal Vachhani, Company Secretary and the Compliance Officer of our Company.
Director(s)	The director(s) on the Board of our Company, unless otherwise specified.
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Equity Shares	Equity shares of our Company of face value of ₹ 10 each.
Equity Shareholders	Persons holding Equity shares of our Company unless otherwise specified in the context otherwise.
Executive Director(s)/ Whole-time Director(s)	Executive Directors or Whole-time Director (s) on our Board, as described in “Our Management”, beginning on page 128.
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)

TERM	DESCRIPTION
Group Companies	Companies (other than our Subsidiary) with which there have been related party transactions, during the last three financial years, as covered under the applicable accounting standards and other companies as considered material by the Board in accordance with the Materiality Policy.
Independent Director(s)	The independent director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013.
ISIN	International Securities Identification Number. In this case being INE0S1B01014.
Key Managerial Personnel / KMP	Key Management Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI Regulations and the Companies Act, 2013. For details, see section titled “ <b>Our Management</b> ” on page 128 of this Draft Prospectus.
LLP	Limited Liability Partnership
Materiality Policy	A policy adopted by our Company, in its Board meeting held on June 17, 2024 for identification of group companies, material creditors and material litigations.
Memorandum of Association / MoA	Memorandum of Association of Narmadesh Brass Industries Limited as amended from time to time.
Nomination and Remuneration Committee	The Nomination and Remuneration committee of our Board of directors in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013. For details, see “Our Management” on page 128 of this Draft Prospectus.
Non-executive Directors	Non-executive Directors of our Company.
Promoter	Promoters of our Company, namely Sprayking Limited, Mr. Hitesh Pragajibhai Dudhagara and Mrs. Ronak Hitesh Dudhagara. For further details, please see the section entitled “Our Promoters and Promoter Group” on page no. 142 of this Draft Prospectus.
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations. For details, see “Our Promoter and Promoter Group” on page no 142 of this Draft Prospectus.
Registered Office	The registered office of our Company situated at Plot No. 5, 8 & 9, Survey No 433 Shree Ganesh Industrial Hub, Changa Village, Jamnagar- 361 012, Gujarat, India.
Registrar of Companies/ RoC	The Registrar of Companies, Ahmedabad situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380 013, Gujarat
Restated Financial Statements / Restated Financial Information	The restated financial information of our Company, comprising of the restated balance sheet as at March 31, 2024, March 31, 2023 and March 31, 2022, and For the Period Ended October 29, 2023 and the restated statement of profit and loss (including other comprehensive income), and restated statement of cash flows and restated statement of changes in equity for the period ended October 29, 2023 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, together with its notes, annexures and schedules are derived from our audited financial statements as at for the period ended October 29, 2023 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and restated in accordance with requirements of Section 26 of Part I of Chapter III of Companies Act, SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by ICAI., as amended. For details, see “Financial Information” on page no. 153 of this Draft Prospectus.
Selling Shareholder	The selling shareholder being, Mr. Hitesh Pragajibhai Dudhagara and Mrs. Ronak Hitesh Dudhagara.
Shareholders	Shareholders of our Company, from time to time.
Emerge Exchange	Unless the context otherwise requires, refer to the EmERGE Platform of NSE
Stakeholders’ Relationship Committee	The Stakeholders’ Relationship Committee of our Board of Directors in accordance with Regulation 20 of the SEBI Listing Regulations. For details, see “Our Management” on page no.128 of this Draft Prospectus.



## Issue Related Terms

TERM	DESCRIPTION
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form.
Allot/Allotment/ Allotted	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue to the successful applicants, including transfer of the Equity Shares pursuant to the Issue to the successful applicants.
Allotment Advice	Note, advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	The successful applicant to whom the Equity Shares are being / have been allotted.
Applicant(s)	Any prospective investor who makes an Application pursuant to the terms of the Draft Prospectus and the Application Form and unless otherwise stated or implied includes an ASBA Applicant.
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an Application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB. ASBA is mandatory for all Applicants participating in the Issue.
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Applicant(s)	Any prospective investor who makes an Application pursuant to the terms of the Draft Prospectus and the Application Form including through UPI mode (as applicable).
ASBA Form	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Applicant and which will be considered as an application for Allotment in terms of the Draft Prospectus.
ASBA Bid	A Bid made by ASBA Bidder
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Banker(s) 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 [●].
Basis of Allotment	Basis on which the Equity Shares will be Allotted to successful Applicants under the Issue and which is described in “Offer Procedure” on page 245 of this Draft Prospectus.
Applicant(s)	Any prospective investor who makes an Application pursuant to the terms of the Draft Prospectus and the Application Form and unless otherwise stated or implied includes an ASBA Applicant.
Bidding Centers	The centers at which the Designated Intermediaries shall accept the Application Forms i.e. Designated Branches 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.
Broker Centers	Broker centers notified by the Stock Exchanges, where Applicants can submit the ASBA Forms to a Registered Broker.  The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the website of the Stock Exchange and are updated from time to time.
Client ID	Client identification number maintained with one of the Depositories in relation to demat account.



TERM	DESCRIPTION
Collecting Depository Participant(s)/ CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the website of NSE ( <a href="http://www.nseindia.com">www.nseindia.com</a> ).
Controlling Branches	Such branches of SCSBs which coordinate Applications under the Issue with the LM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation, Bank Account details and UPI ID (if applicable).
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms and in case of RIIs only ASBA Forms with UPI. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange.
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Draft Prospectus following which Equity Shares will be Allotted in the Issue.
Designated Intermediaries / Collecting Agent	<p>In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.</p> <p>In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.</p> <p>In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.</p>
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited
DP ID	Depository Participant's identity number
Designated Market Maker	Rikhav Securities Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Draft	This Draft Prospectus dated July 16, 2024 issued in accordance with SEBI ICDR Regulation.

TERM	DESCRIPTION
Prospectus/DP	
Eligible NRI(s)	An NRI(s) from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Offer and in relation to whom the Application Form and the Draft Prospectus will constitutes an invitation to purchase the equity shares.
Electronic Transfer of Funds	Refunds through ECS (Electronic Clearing Services), 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 Draft Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Equity Listing Agreements	The listing agreements to be entered into by our Company with the Stock Exchange in relation to our Equity Shares.
Escrow Account(s)	Account(s) opened with the Banker(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement.
Escrow Agent	[●]
Escrow Agreement	Agreement dated [●] entered into amongst the Company, Lead Manager, the Registrar and the Banker to the Issue and Sponsor Bank to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being [●].
First Applicant	The Applicant whose name appears first in the Application Form or the Revision Form and in case of a joint Application and whose name shall also appear as the first holder of the beneficiary account held in joint names or any revisions thereof.
Fraudulent Borrower	A company or person, as the case may be, categorised as a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on fraudulent borrowers issued by the RBI and as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
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 circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular no. (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019 and circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, issued by SEBI. The General Information Document is available on the websites of the Stock Exchanges and the LM
KPI	Key Performance Indicators
Lead Manager/ LM	The Lead Manager to the Offer, being Wealth Mine Networks Private Limited.
Lot Size	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants.
Market Maker	Market Maker of the Company, in this case being Rikhav Securities Limited.

TERM	DESCRIPTION
Market Maker Reservation Portion	The Reserved portion of upto 36,000 Equity shares of ₹ 10/- each at an Issue Price of ₹ [●] aggregating to ₹ [●] lakhs for Designated Market Maker in the Public Issue of our Company.
Market Making Agreement	The Agreement among the Market Maker, the Lead Manager and our Company dated [●].
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Offer	The Offer (excluding the Market Maker Reservation Portion) of Upto 6,14,000 equity Shares of face value of ₹ 10/- each fully paid for cash at a price of ₹ [●] per Equity Share (the “Issue Price”), including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs
Net Proceeds	Proceeds of the Issue less our Company’s share of Issue related expenses. For further information about the Issue related expenses, see “ <i>Objects of the Offer</i> ” on page 75 of this Draft Prospectus.
Non-Institutional Applicant / Investors	All Applicants, including FPIs which are individuals, corporate bodies and family offices, that are not QIBs or RIIs and who have Application for Equity Shares for an amount of more than ₹2.00 Lakhs (but not including NRIs other than Eligible NRIs)
Non-Resident/ NR	A person resident outside India, as defined under FEMA and includes a non-resident Indian, FPIs and FVCIs.
NSE Emerge	The Emerge platform of National Stock Exchange of India Limited, approved by SEBI as an Emerge Exchange for listing of equity shares Issued under Chapter IX of the SEBI (ICDR) Regulations, 2018.
Offer Price	The price at which the Equity Shares are being offered by our Company and the Selling Shareholder in consultation with the Lead Manager under this Draft Prospectus being ₹[●] per Equity share.
Offer for Agreement /agreement with selling shareholder	The Offer Agreement dated July 13 , 2024 amongst our Company, the selling shareholder and the LM, pursuant to which certain arrangements have been agreed to in relation to the offer.
Offer / Offer Size/ Initial Public Offering/ IPO	The Initial Public Offer upto 6,50,000* Equity Shares of face value of ₹10/- each for a cash price of ₹ [●] each (including a share premium of ₹ [●] each), comprising of the Fresh Issue of upto 3,50,000* Equity Shares aggregating up to ₹ [●] lakhs and the Offer for Sale upto 3,00,000 Equity Shares aggregating up to ₹ [●] lakhs by the Selling Shareholder.  *subject to the finalisation of Basis of allotment
Offer for Sale (OFS)	Upto 3,00,000 Equity Shares at ₹ [●] per share aggregating up to ₹ [●] lakhs by the Selling Shareholder
Offer Proceeds	The proceeds of the offer, which shall be available to our Company. For further information about use of the offer Proceeds, see “ <i>Objects of the offer</i> ” on page 75 of this Draft Prospectus.
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions.
Prospectus	The Draft Prospectus, to be filed with the RoC containing, inter alia, the Issue opening and closing dates and other information.
Public Issue Account	Account opened with Bankers to the Issue for the purpose of transfer of monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.

TERM	DESCRIPTION
Public Issue Account Bank	A bank which is a clearing member and registered with SEBI as a banker to an issue and with which the Public Issue Account for collection of Application Amounts from Escrow Account(s) and ASBA Accounts will be opened, in this case being [●].
Pricing Date	The date on which our Company, in consultation with the Managers, will finalize the Issue Price
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.
Qualified Institutional Buyers / QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and having terminals at any of the Broker Centres and eligible to procure Applications in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 and the UPI Circulars issued by SEBI.
Registrar Agreement	The registrar agreement dated June 13, 2024 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents/ RTAs	The registrar and the share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars issued by SEBI as per the list available on the website of NSE.
Registrar to the Issue / Registrar	KFin Technologies Limited
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 ₹ 2,00,000.
Retail Portions	Portion of the Issue being not less than 50% of the Net Issue consisting of upto 3,07,000 Equity Shares which shall be available for allocation to RIBs (subject to valid Bids being received at or above the Issue Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion, and the remaining Equity Shares to be Allotted on a proportionate basis
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s).  QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Applicants can revise their Application during the Issue Period and withdraw their Applications until Issue Closing Date.
Refund account	Account to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Bidders shall be made
Refund Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Refund Account will be opened, in this case being [●].
Self-Certified Syndicate Banks or SCSBs	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time.
Sponsor Bank	A Banker to the Issue which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed

TERM	DESCRIPTION
	by the Company, in consultation with the LM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of RIIs as per the UPI Mechanism, in this case being [●].
Systemically Important Non-Banking Financial Companies	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
TRS/Transaction Registration Slip	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.
Underwriters	Wealth Mine Networks Private Limited
Underwriting Agreements	The agreement dated [●] entered into among the Underwriters and our Company prior to the filing of the Draft Prospectus with the RoC.
Unified Payment Interface or UPI	Unified Payment Interface is an instant payment system developed by National Payments Corporation of India, which enables merging several banking features, seamless fund routing and merchant payments into one hood. It allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a persons' bank account.
UPI	Unified Payment Interface.
UPI Circulars / SEBI UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, March 2021 Circular, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, June 2021, April 5, 2022 Circular, April 20, 2022 Circular, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI circular no SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI application and by way of a SMS directing the RIB to such UPI application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	Process for applications by RIBs submitted with intermediaries with UPI as mode of payment, in terms of the UPI Circulars.
UPI PIN	Password to authenticate UPI transaction.
Wilful Defaulter or a fraudulent borrower	Means a person or an issuer who or which is categorized as a wilful defaulter or a fraudulent borrower by any bank or financial institution as defined under the Companies Act, 2013 or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India.
Working Day	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price Band; and (ii) Issue Period, "Working Day" shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to (iii) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, including the UPI Circulars.



## Conventional and General Terms and Abbreviations

TERM	DESCRIPTION
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
CAGR	Compounded Annual Growth Rate.
Category I AIF	AIFs which are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations.
Category II AIF	AIFs which are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations.
Category III AIF	AIFs which are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulation.
Category I FPI(s)	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations.
Category II FPI(s)	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations.
Category III FPIs	FPIs who are registered as Category III FPIs under the SEBI FPI Regulations, and shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices.
CDSL	Central Depository Services (India) Limited.
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970.
Companies Act	Companies Act, 1956 and / or the Companies Act, 2013 as applicable.
Companies Act 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections).
Companies Act 2013	Companies Act, 2013, read with the rules, regulations, clarifications and modifications thereunder.
Consolidated FDI Policy	The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
CRAR	Capital to Risk Asset Ratio
CSR	Corporate social responsibility
Depository(ies)	NSDL and CDSL, both being depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
DP or Depository Participant	A depository participant as defined under the Depositories Act.
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI.
DP ID	Depository Participant’s Identity Number

TERM	DESCRIPTION
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Term Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion)
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization.
EGM	Extraordinary General Meeting
EMERGE	The Emerge platform of National Stock Exchange of India Limited.
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952.
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA.
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder.
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 duly amended.
Financial Year/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any FII who holds a valid certificate of registration 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 Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI.
GAAR	General Anti-Avoidance Rules
GDP	Gross Domestic Product
GoI / Government	The Government of India
GST	Goods and services tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015, as amended
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
INR or ₹ or Rs. Or Indian Rupees	Indian Rupee, the official currency of the Republic of India.



TERM	DESCRIPTION
IPO	Initial public offering
IRDAI	Statutory body constituted under the Insurance Regulatory and Development Authority Act, 1999
IRR	Internal rate of return
IMPS	Immediate Payment Service
IST	Indian Standard Time
Insolvency Code	Insolvency and Bankruptcy Code, 2016
ISIN	International Securities Identification Number
IT	Information Technology
KMP	Key Managerial Person
KYC	Know your customer
KPI	Key Performance Indicator
Lacs	Lakhs
LIBOR	London Inter-Bank Offer Rate
MCA	The Ministry of Corporate Affairs, GoI
MSME	Micro, Small, and Medium Enterprises
Mn / mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NACH	National Automated Clearing House, a consolidated system of ECS.
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
NRO	Non-resident ordinary account
NRI	Non Resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
NPCI	National Payments Corporation of India
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue.
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
PIO	Person of Indian Origin

TERM	DESCRIPTION
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the Securities Act
RTI	Right to Information, in terms of the Right to Information Act, 2005
RTGS	Real Time Gross Settlement
Rule 14A	Rule 14A under the Securities Act
₹/Rs./ Rupees/ Indian Rupees	The lawful currency of India
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act.
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.
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI Ind AS Transition Circular	SEBI Circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
SEBI Merchant Bankers Regulation	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
Securities Act	The United States Securities Act of 1933.
Stamp Act	The Indian Stamp Act, 1899
STT	Securities Transaction Tax
Emerge	Small and Medium Enterprises
State Government	The government of a state in India
Trademarks Act	Trademarks Act, 1999
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

TERM	DESCRIPTION
TAN	Tax deduction account number
TDS	Tax deducted at source
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America .
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.
U.S. Holder	A beneficial owner of Equity Shares that is for United States federal income tax purposes: (a) an individual who is a citizen or resident of the United States; (b) a corporation organised under the laws of the United States, any state thereof or the District of Columbia; (c) an estate whose income is subject to United States federal income taxation regardless of its source; or (d) a trust that (1) is subject to the primary supervision of a court within the United States and the control of one or more U.S. persons for all substantial decisions of the trust, or (2) has a valid election in effect under the applicable U.S. Treasury regulations to be treated as a U.S. person .
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America .
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be.
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve month period ending December 31 .

## Explanation for KPI metrics

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

## Industry Related Terms

TERM	DESCRIPTION
ASPEE	American Spring & Pressing Works Pvt. Ltd.
CAD	Current Account Deficit
CAGR	Combine Annual Growth Rate
EPA	Environmental Protection Agency
EU	European Union
FRE	First Revised Estimates
GDP	Gross Domestic Products
GIS	Geographic Information Systems
GPS	global positioning system
GUSS	Global Unmanned Spray System
HFI's	High-Frequency Indicators
HHI	Herfindahl–Hirschman Index
IMF	International Monetary Fund
ILCM	International Lead and Cadmium Management
INTA	Agricultural Technology National Institute
RoHS	Restriction of Hazardous Substances
R&D	Research and Developments
USD (\$)	United States Dollar
WEO	World Economic Outlook

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

### **Certain Conventions**

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

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

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

### **Financial Data**

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “Financial Information” on page 153 of this Draft Prospectus.

Our Company’s financial year commences on April 01 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The Restated Financial Statements of our Company for the period ended October 29, 2023 and the for the Financial Year ended March 31, 2024, March 2023 and 2022 which comprise restated summary statement of assets and liabilities, the restated summary statement of profit and loss, the restated summary statement of cash flow and restated summary statement of changes in equity together with the annexures and notes thereto and the examination report thereon, as compiled from the Ind AS financial statements for respective period/year and in accordance with the requirements provided under the provisions of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by ICAI. There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, the Indian GAAP, Ind AS and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Prospectus should, accordingly, be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 29, 100 and 210 respectively, of this Draft Prospectus, and elsewhere in this Draft Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with Ind AS and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places including percentage figures in “Risk Factors”, “Industry Overview” and “Our Business” on pages 29, 92 and 100 respectively, this Draft Prospectus.

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

All references to:

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

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

### **Exchange rates**

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

## **Industry and Market Data**

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Further, the extent to which the industry and market data presented in this Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, "*Basis for Offer Price*" on page 84 of this Draft Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the LM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" on page 29 of this Draft Prospectus.

## **FORWARD - LOOKING STATEMENTS**

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

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

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

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



For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on pages 29, 100 and 210 respectively, of this Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

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

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

## **SECTION II - OFFER DOCUMENT SUMMARY**

The following is a general summary of the terms of the Offer. This summary should be read in conjunction with and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Prospectus, including the sections entitled “*Risk Factors*”, “*Industry Overview*”, “*Outstanding Litigation and Material Developments*”, “*Our Promoters and Promoter Group*”, “*Restated Financial Statements*”, “*Objects of the Offer*”, “*Our Business*”, “*Offer Procedure*” and “*Description of Equity Shares and Terms of Articles of Association*” on pages 29, 92, 218, 142, 153, 75, 100, 245 and 278, respectively.

### **1. Summary of Industry**

The market value for Brass Rod Market was USD 13.42 Billion in 2022 and is expected to reach USD 17.81 Billion in 2032 growing at a CAGR of 3.2% during the forecast period. The increasing demand for brass rods across a range of end-use industries, including the automotive, construction, electrical, and electronics industries, is one of the primary drivers of market revenue growth. Due to their distinctive qualities, such as exceptional strength, corrosion resistance, and malleability, which make them appropriate for a variety of applications, brass rods are a popular material.

The market is also anticipated to increase steadily as a result of the manufacturing sector's growing emphasis on environmentally friendly and sustainable practises. Brass rod usage, which has a low carbon footprint and is 100% recyclable, is anticipated to increase demand in the upcoming years. Further predicted growth drivers include the rise in demand for brass rods from the plumbing sector, where they are utilised for valves and pipe fittings.

(Source: <https://www.reportsanddata.com/report-detail/brass-rod-market>)

For further details, please refer chapter titled “*Industry Overview*” on page 92 of this Draft Prospectus.

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

Our Company was originally formed as a partnership firm under the Indian Partnership Act, 1932 in the name and style of “M/s. Narmada Brass Industries”, pursuant to a deed of partnership executed on August 29, 2019. Further the Partnership Firm “M/s. Narmada Brass Industries” was converted into Public Limited Company “Narmadesh Brass industries Limited” pursuant to Part I of chapter XXI of the Companies Act, 2013 vide Certificate of Incorporation dated October 30, 2023 bearing registration No. 145839 issued by Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U24209GJ2023PLC145839.

We manufacture and sell a variety of products in the Indian market and for export, including agricultural sprayer parts, garden fittings, ball valves, non-return valves (NRVs), turning components, brass pipe and plumbing fittings, sanitary fittings, brass compression fittings, extruded brass rods, lead-free brass fittings, and specialty forged items. We also handle casting, forging, and scrap selling related to brass components.

In casting, we pour liquid material into a mould to create complex shapes that solidify into the desired form. We offer customized products and ensure high quality through strict internal controls. Our manufacturing unit is in Jamnagar. Additionally, we source specific customer requirements from our suppliers and assemble the final products for delivery.

For further details, please refer chapter titled “*Our Business*” on page 100 of this Draft Prospectus.

### **3. Promoters**

Sprayking Limited, Mr. Hitesh Pragajibhai Dudhagara and Mrs. Ronak Hitesh Dudhagara are the Promoters of our Company. For further details please refer the chapter titled “*Our Promoters and Promoter Group*” beginning on page 142 of this Draft Prospectus.

### **4. The Offer Size**

The following table summarizes the details of the Offer size. For further details, see “*The Offer*” and “*Offer Structure*” on pages 48 and 75, respectively.

<b>Offer<sup>(1) (2)</sup></b>	Up to 6,50,000* Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] lakhs
<b>of which</b>	
<b>(i) Fresh Issue<sup>(1)</sup></b>	Up to 3,50,000* Equity Shares aggregating up to ₹ [●] lakhs
<b>(ii) Offer for Sale<sup>(2)</sup></b>	Up to 3,00,000 Equity Shares aggregating up to ₹ [●] lakhs by the Promoter and Selling Shareholder

\*Subject to finalization of the Basis of Allotment

(1) The Offer has been authorized by a resolution of our Board dated June 17, 2024 and by a special resolution of our Shareholders, dated June 17, 2024.

(2) The Equity Shares offered by the Selling Shareholder are eligible for being offered for sale pursuant to the Offer for Sale in terms of the SEBI ICDR Regulations. Selling Shareholder have specifically confirmed that its respective portion of the Offered Shares are eligible to be offered for sale in the Offer in accordance with the SEBI ICDR Regulations. The value of the Offered Shares and the percentage of the pre-Offer shareholding being offered in the Offer for Sale by each of the Selling Shareholders is set forth below:

Name of Selling Shareholder	Number of shares Offered	Percentage of pre-Offer shareholding
Mr. Hitesh Pragajibhai Dudhagara	Up to 1,50,000	19.75%
Mrs. Ronak Hitesh Dudhagara	Up to 1,50,000	19.75%

The Offer and Net Offer will constitute [●] % and [●] % of the post-Offer paid-up Equity Share capital of our Company. For further details, see “The Offer” and “Offer Structure” on pages 48 and 243, respectively

## 5. Objects of the Fresh Offer Offer Proceeds and Net Proceeds

(₹ in lakhs)

Particulars	Amount
Gross Proceeds of the Fresh Offer*	[●]
Less: Issue Related Expense	[●]
Net Proceeds of the Offer	[●]

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

The proposed utilization of Net Proceeds is set forth as stated below:

(₹ in lakhs)

Sr. No.	Particulars	Amount	% of Net Proceeds
1.	Repayment, whether in part or full, of specific capital contributions made by partners to the Company	470.07	[●]
2.	Funding incremental working capital requirements of our Company	1,100.00	[●]
3.	General Corporate Purpose <sup>(1)</sup>	[●]	[●]
<b>Total</b>		[●]	[●]

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

For further details, please refer the chapter titled “Objects of the Offer” beginning on page 75 of this Draft Prospectus.

## 6. Shareholding of Promoters and Promoter Group

Following are the details of the pre-Issue shareholding of Promoters and Promoter Group:

Sr. No.	Name of the Shareholders	Pre-Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital
Promoter			
1.	Sprayking Limited (Formerly known as Sprayking Agro Equipment Limited)	12,00,000	60.00%
Promoter (who is also a Selling Shareholder)			
2.	Mr. Hitesh Pragajibhai Dudhagara	3,95,000	19.75%
3.	Mrs. Ronak Hitesh Dudhagara	3,95,000	19.75%
Total		19,90,000	99.50%
Promoter Group			
4.	Mr. Pragajibhai Meghajibhai Dudhagara	2,000	0.10%
5.	Ms. Parvatiben Pragajibhai Dudhagara	2,000	0.10%
6.	Mr. Krish Hitesh Pragajibhai Dudhagara	2,000	0.10%
7.	Ms. Kalpanaben Dholariya	2,000	0.10%
Total		8,000	0.40%

For further details, please refer the chapter titled “Capital Structure” on page 65 of this Draft Prospectus.

## 7. Summary of Restated Financial Information

Following are the details as per the Restated Financial Information for the Financial year ended March 31, 2024, March 31, 2023 and 2022.

(Rs. In Lakhs)

Key Financial Performance	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from Operations <sup>(1)</sup>	7,888.45	5,996.18	4,426.86
Total Income <sup>(2)</sup>	7906.11	6,009.21	4,445.06
EBITDA <sup>(3)</sup>	1106.81	210.68	196.78
EBITDA Margin (%) <sup>(4)</sup>	14.03%	3.52%	4.45%
PAT <sup>(5)</sup>	645.41	93.37	101.50
PAT Margin (%) <sup>(6)</sup>	8.18%	1.56%	2.29%
Net Debt <sup>(7)</sup>	2,395.19	591.94	477.14
Total Equity <sup>(8)</sup>	587.19	891.59	331.71
ROE (%) <sup>(9)</sup>	109.92%	10.47%	30.60%
ROCE (%) <sup>(10)</sup>	31.90%	11.09%	19.30%
EPS (Basic & Diluted) <sup>(11)</sup>	32.27	4.67	5.07
Current Ratio <sup>(12)</sup>	0.92	1.17	0.93

- 1) Revenue from operations is the revenue generated by us and is comprised of the sale of products and other operating income, as set out in the Restated Financial Statements. For further details, see "Restated Financial Statements – Notes forming part of the Restated Financial Statements: Revenue from operations".
- 2) Total income comprised of revenue from operations and other income, as set out in the Restated Financial Statements. For further details, see "Restated Financial Statements – Notes forming part of the Restated Financial Statements: Revenue from operations and : Other income".
- 3) EBITDA = Profit before tax + depreciation & amortization expense + Interest Expenses.
- 4) EBITDA Margin = EBITDA/ Revenue from Operations.
- 5) PAT = Profit before tax – current tax – deferred tax.
- 6) PAT Margin = PAT/ Revenue from Operations.
- 7) Net debt = Non - current borrowing + current borrowing - Cash and cash equivalent, Bank balance, and Investment in Mutual Funds.
- 8) Total Equity = Equity share capital + Other equity.
- 9) ROE = Net profit after tax /Total equity.
- 10) ROCE = Profit before tax and finance cost / Capital employed\* \*Capital employed = Total Equity + Non - current borrowing + Current Borrowing + Deferred Tax Liabilities – Intangible Assets.
- 11) EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period.
- 12) Current Ratio = Current Assets/Current Liabilities

For further details, please refer the section titled "Financial Information" on page 153 of this Draft Prospectus.

## 8. Auditor qualifications which have not been given effect to in the Restated Financial statements

The Restated Financial Information does not contain any qualification requiring adjustments by the Auditors.

## 9. Summary of Outstanding Litigation

For further details in relation to legal proceedings involving our Company, Promoters, Directors and Group Companies, please refer chapters titled "Outstanding Litigation and Material Developments" and "Risk Factors" on page no. 218 and 29, respectively, of this Draft Prospectus.

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

## Litigations involving our Company, Promoters and Directors and Group Companies

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* (₹in Lakhs)
<b>Company</b>						
By the Company	NIL	NIL	NIL	NIL	NIL	-
Against the Company	NIL	NIL	NIL	NIL	NIL	-
<b>Directors</b>						
By our directors	NIL	NIL	NIL	NIL	NIL	-
Against the directors	NIL	NIL	NIL	NIL	NIL	-
<b>Promoters</b>						
By Promoters	NIL	NIL	NIL	NIL	NIL	NA
Against Promoters	NIL	NIL	NIL	NIL	NIL	NA
<b>Group Companies</b>						
By Group Companies	NIL	NIL	NIL	NIL	NIL	NA
Against Group Companies	NIL	NIL	NIL	NIL	NIL	NA

For further details, please refer the chapter titled “*Outstanding Litigations and Material Developments*” on page 218 of this Draft Prospectus.

### 10. Risk Factors

Please refer the chapter titled “*Risk Factors*” beginning on page 29 of this Draft Prospectus.

### 11. Summary of Contingent Liabilities

Particulars	As at		
	31 March, 2024	31 March, 2023	31 March, 2022
(a) Contingent Liabilities	-	-	-
a. Claims against the company not acknowledged as debts	-	-	-
b. Guarantees	-	-	-
c. Other Money for which the company is contingently liable	-	-	-
(b) Commitments	-	-	-

For detailed information on the Contingent Liabilities on our Company, please refer Annexure 24 of “*Restated Financial Statement*” beginning on Page no. 153 of this Draft Prospectus.

### 12. Summary of Related Party Transactions

For detailed information on the Related Party Transaction on our Company, please refer “*Annexure Note 34: Details of Related Party Transactions*” appearing on page 151 of this Draft Prospectus under Chapter titled “*Restated Financial Statement*” beginning on Page no. 153 of this Draft Prospectus.

### 13. Financials Arrangements

There are no financing arrangements whereby the promoters, members of the promoter group, the directors of the company which is a promoter of our Company, the directors of our Company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of the Draft Prospectus.

**14. Weighted Average Price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Draft Prospectus**

Name of Promoters	No. of Shares held	Weighted Average Price (in Rs.)
Sprayking Limited	12,00,000	10
Mr. Hitesh Pragajibhai Dudhagara	3,95,000	10
Mrs. Ronak Hitesh Dudhagara	3,95,000	10

**15. Weighted Average Price of the Equity Shares acquired by our Promoters as on the date of this Draft Prospectus**

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

Name of Promoters	No. of shares held	Average Cost of Acquisition (in ₹ )
Sprayking Limited	12,00,000	10
Mr. Hitesh Pragajibhai Dudhagara	3,95,000	10
Mrs. Ronak Hitesh Dudhagara	3,95,000	10

*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. B B Gusani & Associates, Chartered Accountants, by way of their certificate dated July 11, 2024.*

**16. Pre-IPO Placement**

Our Company may consider issuing Equity Shares on a private placement basis of upto 10,00,000 equity shares for cash consideration aggregating up to ₹1000.00 Lakhs. The Pre-IPO Placement may be undertaken by our Company at its discretion. The Pre-IPO Placement will be at a price to be decided by our Company, in consultation with the Lead Managers and the Pre-IPO Placement, if any, will be undertaken prior to filing of the Final Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Issue, subject to the minimum Offer size constituting at least 25% of the post-Issue paid-up Equity Share capital of our Company.

**17. Issue of equity shares made in last one year for consideration other than cash**

No Issue of equity shares made in last one year for consideration other than cash prior to filing of this Draft Prospectus. except as disclosed in section titled “Capital Structure” in this Draft Prospectus, our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Prospectus.

**18. Split or consolidation of Equity Shares in the last one year**

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

**19. Exemption from complying with any provisions of securities laws, if any, granted by SEBI**

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

### **SECTION III - RISK FACTOR**

An investment in our Equity Shares involves a high degree of financial risk. Prospective investors should carefully consider all the information in the Draft Prospectus, particularly the **“Financial Information”** and the related notes, **“Our Business”** and **“Management’s Discussion and Analysis of Financial Condition and Results of Operations”** on page 153, 100 and 210 respectively of this Draft Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.

The risk factors set forth below are not exhaustive and are not purported to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition, and prospects.

This Draft 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 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 Offer, 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.

#### **Materiality**

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

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

#### **Note:**

The risk factors as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.

In this Draft 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 29 and “Management Discussion and Analysis of Financial Condition and Results of Operations” on page 210 of this Draft Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “Restated Financial Statements”.

### **INTERNAL RISK FACTORS**

1. ***Our Company has been recently incorporated thus we have limited operating history as a Company which may make it difficult for investors to evaluate our historical performance or future prospects.***

Our Company was originally formed as a partnership firm under the Indian Partnership Act, 1932 with the registrar of firm Jamnagar vide Registration No. GUJRJ202456 in the name and style of “M/s. Narmada Brass Industries”, pursuant to a deed of partnership entered between Mr. Hitesh Pragajibhai Dudhagara, Mrs. Ronak Hitesh Dudhagara, and Mr. Ghanshayam Somani executed on August 29, 2019. Further the Partnership Firm “M/s. Narmadesh Brass Industries” was converted into Public Limited Company “Narmadesh Brass Industries Limited” pursuant to Part I of chapter XXI of the Companies Act, 2013 vide Certificate of Incorporation dated October 30, 2023 by Registrar of Companies, Central Registration Centre.



Our Company has limited operating history from which one can evaluate our business, future prospects and viability. The future revenues and profitability of our Company are difficult to estimate and could fluctuate significantly and as a result the price of the Equity Shares our Company may remain volatile. Further the business prospects of our Company must be considered in light of the risks and uncertainties in respect of Brass industry. Although the partnership firm has retained the growth path in past years, and our Company will continue to undertake all possible steps towards the growth path, but there is no assurance that this growth will be met successfully in future. In case we are unable to meet the desired growth in revenues and profitability, the results of operations and financial condition of our Company will be adversely affected.

Further, the growth exposes us to a wide range of increased risks. It will also place significant demands on our management, financial and other resources and will require us to continuously develop and improve the operational, financial, and internal controls. There can be no assurance that we will be able to successfully pursue the growth strategies of our Company, or that pursuing these strategies will provide us the anticipated benefits. Any inability to pursue the growth strategies successfully or at all, or an inability to manage the growth, may adversely affect the prospects of our Company.

**2. *Our Company has negative cash flows from its operating and investing activities in the past years, details of which are given below. Sustained negative cash flow could impact on our growth and business.***

Our Company had negative cash flows from our operating activities and investing activities in the previous year(s) as per the Restated Financial Statements and the same are summarized as under:

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Net cash from/ (used in) operating activities	(395.10)	(284.80)	254.72
Net cash from/ (used in) investing activities	(361.41)	(257.62)	(86.11)
Net cash from/ (used in) financing activities	981.84	536.75	(164.77)

During the fiscal years 2023 and 2024, our company faced challenges as we experienced a negative net cash flow from operating activities. This was primarily due to a rise in the working capital requirement, which had the potential to adversely impact our business, prospects, results of operations, and financial condition.

Cash flow is a crucial measure of a company's ability to generate cash from its day-to-day operations for essential financial activities such as capital expenditure, dividends, loan repayment, and new investments without relying on external finance. If we are unable to generate sufficient cash flows in the future, it may have a negative effect on our business and financial operations.

It is important to note that there is no guarantee that our net cash flows will be positive in the future. Any future negative cash flows could significantly affect our results of operations and financial condition. For more detailed information, please refer to the "Summary Financial Information" and "Management's Discussion and Analysis of Results of Operations and Financial Condition - Cash Flows" on Pages 49 and 210, respectively, of this Draft Prospectus.

**3. *An increase in the prices of our basic raw materials i.e. Brass Scrap, Copper and Zinc will raise our manufacturing costs and could adversely affect our profitability.***

We have no control over the prices of our main raw material, which is Brass Scrap. The prices of Brass Scrap can fluctuate due to availability and demand. There have been significant price fluctuations in Brass Scrap in both domestic and international markets recently. These fluctuations, along with our inability to negotiate favorable market rates, may impact our profitability.

We usually do not have long-term supply agreements with our suppliers, and we primarily obtain our scrap from the spot market. We may not have control over the factors that influence the prices at which we procure our raw material. Additionally, we face the risk of compensating for or passing on cost increases due to price fluctuations to our customers. Price increases in raw materials can potentially affect our profit margins and overall profitability, thereby adversely impacting our business, financial condition, and operational results.

We depend on a few key suppliers for brass scrap, and without long-term supply contracts, we cannot ensure a consistent supply of raw material at favorable prices. Our raw materials are mainly sourced from the domestic market, and their prices and availability depend on factors beyond our control, including economic

conditions, competition, transportation costs, and market fluctuations both domestically and internationally. If our suppliers reduce or cease deliveries of materials in the required quantities or at competitive prices, it could impair our ability to meet customer demands, potentially harming our earnings and business. Moreover, we may not be able to pass on increased manufacturing costs to our customers, which could negatively impact our operational results.

For the fiscal years ended March 31, 2024, 2023, and 2022, our revenue from operations was ₹7,888.45 Lakhs, ₹5,996.18 Lakhs, and ₹4,426.86 Lakhs respectively, representing 99.77%, 99.78%, and 99.59% of our revenue. If we are unable to source raw materials from key suppliers in a timely manner, our production processes and operational results might be adversely affected. There is no guarantee that we will be able to obtain the required quantities or qualities of raw materials cost-effectively in the future. The absence of long-term, fixed-price contracts exposes us to price volatility in the raw materials market, and we may be unable to pass these increased costs onto our customers, potentially reducing our profit margins.

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

Our capacity utilization levels are dependent on our ability to carry out uninterrupted operations at manufacturing facilities as well as on the market demand of the products sold by us. Among others, the capacity utilization also depends upon the availability of raw materials, labour, industry/ market conditions and procurement practice followed by our customers. In Fiscals 2024, 2023 and 2022, our overall capacity utilization is detailed below:

Capacity details	Fiscal 2022	Fiscal 2023	Fiscal 2024	Existing Installed Capacity (p.a.)
Brass Billets				
Installed Capacity (in Mt.)	4320	4320	4320	4320
Actual Utilization (in Mt.)	345.6	388.8	475.2	
Actual Capacity (%)	8%	9%	11%	
Brass Rods				
Installed Capacity (in Mt.)	4320	4320	4320	4320
Actual Utilization (in Mt.)	2030.4	2721.6	3240	
Actual Capacity (%)	47%	63%	75%	
Brass Components (plumbing and sanitary parts)				
Installed Capacity (in Mt.)	1440	1440	1440	1440
Actual Utilization (in Mt.)	532.8	720	864	
Actual Capacity (%)	37%	50%	60%	

*As certified by Babulal A Ughereja, Chartered Engineer, through certificate dated July 02, 2024.*

Due to lack of working capital and financial capabilities, we have not been fully utilising these capacities and we cannot assure that we shall be able to utilize our existing or proposed manufacturing facilities to their full capacity or up to an optimum capacity. Non-utilisation of the same may lead to loss of profits or can result in lower than expected margins, and may adversely affect our business, results of operations and financial condition. Even use of the proposed production capacity is subject to several variables like availability of raw material, power, water, proper working of machinery, orders on hand, supply / demand, manpower, etc.

**5. *We require high working capital for our smooth day to day operations of business and any discontinuance or our inability to acquire adequate working capital timely and on favourable terms at a future date, may have an adverse effect on our operations, profitability and growth prospects.***

Our business demands substantial funds towards working capital requirements. In case there are insufficient cash flows to meet our working capital requirement or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure funds on favourable terms, at a future date, it may result into our inability to finance our working capital needs on a timely basis which may have an adverse effect on our operations, profitability and growth prospects.

Summary of our working capital position is given below:

Sr. No.	Particulars	As per restated financials statement (Actual)			Actual
		For the year ended 31 March 2022	For the year ended 31 March 2023	For the Period ended on 29 <sup>th</sup> October, 2023	For the Period ended on 31 <sup>st</sup> , March 2024
<b>I.</b>	<b>Current Assets</b>				
a)	Inventories				
	- Raw Materials	679.95	346.98	120.24	477.42
	- Work in Progress	455.20	513.25	522.31	683.27
	- Finished Goods	141.47	191.48	473.42	377.09
b)	Trade Receivables	339.81	222.58	833.65	689.58
c)	Cash and Cash Equivalents	7.24	1.57	1.24	226.91
d)	Loans	234.93	149.14	74.31	1,121.21
e)	Current Tax Assets (Net)	1.92	-	-	-
f)	Other Current Assets	2.65	25.12	1,457.01	-
	<b>TOTAL CURRENT ASSETS (I)</b>	<b>1,863.17</b>	<b>1,450.12</b>	<b>3,482.18</b>	<b>3,575.48</b>
<b>II.</b>	<b>Current Liabilities</b>				
a)	Trade payables	1,612.55	589.63	329.92	297.87
b)	Other current liabilities	16.27	111.68	1,587.32	807.83
c)	Current tax liabilities (Net)	-	49.59	136.35	230.01
d)	Provisions	-	-	-	0.50
	<b>TOTAL CURRENT LIABILITIES (II)</b>	<b>1,628.82</b>	<b>750.90</b>	<b>2,053.59</b>	<b>1,336.21</b>
<b>III.</b>	<b>Net Working Capital (I-II)</b>	<b>234.35</b>	<b>699.22</b>	<b>1,428.59</b>	<b>2,239.27</b>

**6. Our business operates on a high volume-low margin model, which impacts our overall profitability.**

Our company is currently in the growth phase of the business cycle. It is crucial for us to consistently increase our turnover and efficiently carry out our key business processes in order to maintain profitability and ensure the smooth functioning of our operations. However, due to the nature of the products we sell, we may not be able to charge higher margins. As a result, our business model heavily relies on effectively growing our turnover and managing key processes such as raw material procurement, timely sales and order execution, and controlling non-core activity costs.

In line with our growth strategy, we have already taken steps to increase our revenue and reach broader markets. However, it's important to note that our growth strategy entails risks and challenges, many of which are beyond our control. Therefore, there's no guarantee that we will be able to implement our growth plans within the set timelines. Furthermore, as we operate in a dynamic industry, changes in market conditions, industry dynamics, technological advancements, and other relevant factors may lead to modifications in our growth strategy and plans, including the possibility of forgoing growth opportunities if necessary.

Our business operates on a high volume-low margin model, meaning our financial performance relies heavily on the volume of business we generate to increase profits in absolute terms. Our inability to consistently grow our turnover and execute key business processes effectively could lead to lower profitability, thereby impacting our operating results, debt servicing capabilities, and financial conditions.

It's important to refer to the chapter titled "Management's Discussions and Analysis of Financial Condition and Results of Operations" on page 210 of this Draft Prospectus for a more detailed analysis of our past results. Additionally, the table below provides details of our PBT and PAT based on restated financial statements.

Particulars	F.Y. 2023-24	F.Y. 2022-23	F.Y. 2021-22
Total Income	7,906.11	6,009.21	4,445.06
PBT	972.57	122.31	132.84
PBT Margin (%)	12.30	2.04	2.99
PAT	645.41	93.37	101.50
PAT Margin (%)	8.16	1.55	2.28

**7. *Our top ten customers contribute majority of our revenues from operations. Any loss of business from one or more of them may adversely affect our revenues and profitability.***

Our top ten customers have contributed 80.08%, 81.20% and 76.91% of our revenues for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 respectively based on Restated Financial Statements. However, our top customers may vary from period to period depending on the demand and thus the composition and revenue generated from these customers might change as we continue to add new customers in normal course of business. Details of our top customers is as follows:

Financial Period		March 2024		March 2023		March 2022	
Customer	Amount of sales	% of total sale	Amount of sales	% of total sale	Amount of sales	% of total sale	
Top 1 Customer	1,611.57	20.44%	1,228.83	20.49%	8,08.10	18.25%	
Top 5 Customers	4,801.82	60.90%	3,660.24	61.04%	2,579.35	58.27%	
Top 10 Customers	6,313.52	80.08%	4,868.70	81.20%	3,404.79	76.91%	

Our company is currently in the growth phase of the business cycle. It is crucial for us to consistently increase our turnover and efficiently carry out our key business processes in order to maintain profitability and ensure the smooth functioning of our operations. However, due to the nature of the products we sell, we may not be able to charge higher margins. As a result, our business model heavily relies on effectively growing our turnover and managing key processes such as raw material procurement, timely sales and order execution, and controlling non-core activity costs.

In line with our growth strategy, we have already taken steps to increase our revenue and reach broader markets. However, it's important to note that our growth strategy entails risks and challenges, many of which are beyond our control. Therefore, there's no guarantee that we will be able to implement our growth plans within the set timelines. Furthermore, as we operate in a dynamic industry, changes in market conditions, industry dynamics, technological advancements, and other relevant factors may lead to modifications in our growth strategy and plans, including the possibility of forgoing growth opportunities if necessary.

Our business operates on a high volume-low margin model, meaning our financial performance relies heavily on the volume of business we generate to increase profits in absolute terms. Our inability to consistently grow our turnover and execute key business processes effectively could lead to lower profitability, thereby impacting our operating results, debt servicing capabilities, and financial conditions.

It's important to refer to the chapter titled "Management's Discussions and Analysis of Financial Condition and Results of Operations" on page 210 of this Draft Prospectus for a more detailed analysis of our past results. Additionally, the table below provides details of our PBT and PAT based on restated financial statements.

**8. *Certain typographical errors have been noticed in ROC filings at the time of conversion in URC-1 which was rectified at later stage by filing MGT-14.***

The Board of Directors would like to address the recent issues regarding the status of our Company, which arose due to inadvertent errors during the conversion process. Upon thorough review, our Company's management has identified typographical errors that were introduced by professional agencies, leading to outdated figures being replicated in official documents. In response to this, the Board of Directors has taken the decision to restore the position to its original state by rectifying the initial unintentional error. This restoration process will involve adherence to specific steps outlined by the registrar, the provision of necessary documentation, obtaining consent, and ensuring full compliance with all requirements before the submission of the restoration documents for filing. It is important to note that such typographical errors can have future implications for the company, potentially resulting in monetary penalties imposed by the authorities. Therefore, it is imperative to be vigilant in avoiding such errors in the future to prevent any adverse impact on the company.

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

Our business operations require specific statutory and regulatory permits, licenses, and approvals. While we believe that we have obtained the necessary permits and licenses mentioned in the "Government and Other Statutory Approvals" chapter page no. 222, we cannot guarantee that there are no other statutory or regulatory requirements with which we must comply. Additionally, some of these approvals have fixed periods and need renewal from time to time. We are responsible for renewing these permits, licenses, and approvals. There is no guarantee that the relevant authorities will issue these permits or approvals in a timely manner, or at all. Failure to renew, maintain, or obtain the necessary permits or approvals on time could interrupt our operations and have a significant adverse effect on our business, financial condition, and results of operations.

Furthermore, our company is in the process of applying for a change in name for some licenses and approvals that are still under the company's former name. The issuance or renewal of these approvals or licenses is not guaranteed, and any unexpected delays in receiving these approvals could adversely impact our growth, prospects, cash flows, and financial condition.

The approvals required by our company are subject to numerous conditions, and there is no assurance that they will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions, or due to regulatory action. Non-compliance with applicable regulations or amendments to governing regulations could lead to increased costs, penalties, revocation of approvals and permits, or operational disruption, all of which could adversely affect our business.

***10. Failure to manage our trade receivables could have an adverse effect on our net sales, profitability, cash flow and liquidity.***

Our company has a business that requires a lot of working capital, and as a result, a large portion of our current assets are made up of trade receivables. As of March 31, 2024, our trade receivables amounted to Rs. 689.58 lakhs. We cannot guarantee that we will be able to manage our trade receivables effectively in the future. If we fail to manage our trade receivables, it could result in bad debts, delays in recoveries, and write-offs, leading to a liquidity crunch that could negatively impact our business and financial performance. A liquidity crunch could also occur due to increased working capital borrowings, leading to higher finance costs, which would negatively affect our profitability. We may face working capital risks due to delays or defaults in client payments, potentially affecting our ability to source raw materials and make timely payments.

***11. Our operations involve melting of brass scrap in the furnaces which can be extremely dangerous and any accident, could cause serious injury to people or property which may adversely affect our production schedules, costs, sales and ability to meet customer demand.***

Our operations involve working under potentially dangerous circumstances, as a significant part of our business includes melting brass scrap in the hot refining section. Despite complying with necessary safety requirements and standards, our operations are subject to significant hazards, including:

- Explosions
- Fires
- Mechanical failures and other operational problems
- Inclement weather and natural disasters
- Discharges or releases of hazardous substances, chemicals, or gases
- Other environmental risks

Although we have safety procedures in place during the melting of brass in the furnaces and maintain what we believe to be adequate insurance, there is a risk that any hazard may result in personal injury to our employees or other individuals, destruction of property or equipment, environmental damage, etc. This may lead to the suspension of our operations and/or the imposition of civil or criminal liabilities. The loss or shutting down of our facilities could disrupt our business operations and adversely affect our results of operations, cash flows, financial condition, and reputation. We could also face claims and litigation in India, filed on behalf of persons alleging injury predominantly as a result of occupational exposure to hazards at our facilities. The outcome of these claims is difficult to assess or quantify, and the cost to defend such litigation could be significant. These claims and lawsuits, whether individually or in the aggregate, may be resolved against us, leading to negative publicity and consequently adversely affecting our business, cash flows, results of operations, and financial condition.

In particular, if operations at our manufacturing facilities were to be disrupted as a result of any significant workplace accident, fire, explosion, or other related reasons, our financial performance may be adversely affected as a result of our inability to meet customer demand or committed delivery schedules for our products. Interruptions in production may also increase our costs, reduce our sales, and may require us to make substantial capital expenditures to remedy the situation or to defend the litigation that we may become involved in as a result. These factors may negatively affect our profitability, business, reputation, financial condition, results of operations, cash flows, and prospects.

**12. *There exists a potential conflict of interest between our Company and our Group Companies which may adversely affect our business.***

The primary objectives of our Group Companies are similar to the main objective of our Company. Currently, they are not involved in any business that is similar to our own. However, our Promoter Company and Group Companies, namely Sprayking Limited and Narmadeshwar Metal Private Limited, are engaged in a similar line of business.

If any of these companies were to engage in a business similar to ours in the future, it could potentially create a conflict of interest between our Company and these entities. Furthermore, we have not entered into any non-compete agreement with any of these entities.

There is no guarantee that our Promoter or our Group Companies or members of the Promoter Group will not compete with our existing business or any future business we may undertake, or that their interests will not conflict with ours. Any present or future conflicts of interest could have a significant adverse effect on our reputation, business, results of operations, and financial condition, which may ultimately impact our profitability and results of operations.

For further information, please refer to the chapter titled 'Our Business' on page 100 of the Draft Prospectus.

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

Our company specializes in manufacturing and supplying (i) brass-based components (plumbing and sanitary parts) and (ii) brass ingots, billets, and brass rods. Due to the nature of our products and industry, our customers have high standards for product quality and delivery schedules. Adhering to quality standards is critical to our manufacturing process. Any defects in our products or failure to comply with customer specifications regarding alloy composition may lead to order cancellations. Additionally, late deliveries or failure to meet quantity requirements could also result in order cancellations, negatively impacting our reputation and goodwill. Furthermore, customers may demand price reductions, set off payment obligations, seek indemnification, change their outsourcing strategy, or replace existing products with alternatives, all of which may adversely affect our business, cash flows, results of operations, and financial condition.

**14. *We require a number of approvals, NOCs, licences, registrations and permits in the ordinary course of our business. Some of the approvals are required to be transferred in the name of Narmadesh Brass Industries Limited from M/s. Narmada Brass Industries pursuant to conversion of partnership firm into our company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.***

We need several approvals, licenses, registrations, and permits as part of our business operations. Additionally, we must apply for renewal of expiring approvals as necessary. Our company was originally a partnership firm named 'M/s. Narmada Brass Industries' engaging in the same business. According to Part I of chapter XXI of the Companies Act, 2013, a Partnership Firm can be converted into a public limited company. After complying with the relevant procedure of the Companies Act, 2013, the said Partnership Firm was converted into a public limited company in the year 2023, and the company's name was changed from 'M/s. Narmada Brass Industries' to 'Narmadesh Brass Industries Limited'. We are in the process of transferring the approvals to the new name of our company. Failure to transfer or obtain approvals in the name of the company may adversely affect our business operations.

Our company has not yet applied to change the name on these approvals. Delay or failure to obtain these approvals could impact our business operations. Failing to renew or apply for required approvals, licenses, No Objection Certificates, registrations, or permits, or any suspension or revocation of these documents, could result in delaying our business operations, which may adversely affect our business, financial condition, results, and prospects. For more information, please refer to the chapter 'Government and Other Statutory Approvals' on page 222 of this Draft Prospectus.

**15. Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law could impact the financial position of the Company to that extent.**

Our Company has not strictly complied with certain provisions of the Companies Act, 1956 and the Companies Act, 2013 and certain Accounting Standards such as non/delayed filing of forms, non-provision of gratuity etc. Although no show cause notice have been issued against the Company till date in respect of above, in the event of any cognizance being taken by the concerned Registrar of Companies in respect of above, penal actions may be taken against our Company and its directors, in which event the financials of the Company and its directors may be adversely affected.

**16. Our inability to accurately forecast demand for our products, and accordingly manage our inventory, may have an adverse effect on our business, cash flows, financial condition, and results of operations.**

Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, cash flows, financial condition, and results of operations. We do not have firm commitment long-term supply agreements with our customers and instead rely on short-term purchase orders to govern the volume and other terms of the sales of products. Accordingly, we plan our production volumes based on our forecast of the demand for our products. Any error in forecasting could result in surplus stock, which would have an adverse effect on our profitability.

We maintain a high level of inventory of raw materials, work in progress, and finished goods. Our high level of inventory increases the risk of loss and storage costs to us, as well as increasing the need for working capital to operate our business. Further, as our customers are not obliged to purchase our products or provide us with a binding long-term commitment, there can be no assurance that customer demand will match our production levels.

On the other hand, in the event that the demand we have forecasted is lower than the actual demand for our products, and we are unable to ramp up production to match such demand, we may be unable to supply the requisite quantity of products to our customers in a timely manner. Any increase in our turnaround time could affect our production schedules and disrupt our supply, which could have an adverse effect on our business, cash flows, financial condition, and results of operations.

**17. We do not own the manufacturing facilities, registered office and other place of operations from which we carry out our business activities. In case of non-renewal of lease agreements or dispute in relation to use of the said premise, our business and results of operations can be adversely affected.**

At the time of this Draft Prospectus, we only have one manufacturing facility (including the registered office). These facilities are leased from our Director, Mrs. Ronak Hitesh Dudhagara. If these lease agreements are terminated or not renewed, we may have to vacate the premises, which could disrupt our inventory management, corporate affairs, and business operations. This could temporarily impact our business until we find suitable alternative premises. Details about the duration of the existing rent/lease agreements can be found in the "Our Business" section, beginning on page 100 of this Draft Prospectus.

Additionally, there are irregularities in the lease agreements, such as inadequate payment of stamp duty, which may affect their enforceability in legal proceedings and could lead to penal charges.

There is no assurance that we will be able to retain or renew the existing agreements for the current locations on the same terms. We may also fail to negotiate the renewal of our rent agreements on commercially acceptable terms, potentially resulting in increased rental rates or the need to find new premises. This could impact our financial condition and operations. Additionally, our investments in properties that currently do not generate rental income could also adversely affect our financial condition and operations.

**18. The continued operation of our manufacturing facilities is crucial to our business. Any disruption, breakdown, or failure of machinery, disruption to power sources, or temporary shutdown of our manufacturing facility may significantly impact our business, financial condition, and cash flows.**

We operate through facilities located in the district of Jamnagar, known as a hub of brass components. Our manufacturing unit covers an area of 6,293.03 square meters. Our manufacturing activities are exposed to various operating risks, including equipment breakdowns, power supply disruptions, weather conditions, inefficiencies, obsolescence, labor disputes, natural disasters, industrial accidents, infectious diseases (e.g., COVID-19), political instability, compliance with governmental directives, and the need for material



approvals. Our manufacturing facilities require a significant amount of electricity, which is supplied by the state electricity board. Any interruption in the supply of electricity may hamper our production schedule.

Additionally, an increase in the price of electricity by our suppliers could materially affect our production costs and profitability. Natural disasters or adverse weather conditions in our operating areas, such as severe weather, tropical storms, floods, excessive rainfall, or other uncontrollable events, can also disrupt our operations. If electricity is unavailable for any reason, our plants may need to shut down until a consistent supply is restored. Interruptions in the electricity supply can lead to production shutdowns, increased costs for restarting production, and loss of production.

Our customers rely significantly on the timely delivery of our products and our ability to provide an uninterrupted and timely supply of our products is critical to our business. While we seek to ensure a continuous supply of our products to our customers, our customer relationships, business and financial results may be adversely affected by any disruption of operations of our product lines due to any of the factors mentioned above.

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

Our company's manufacturing operations are based in Gujarat, specifically in the district of Jamnagar. Because our manufacturing operations are concentrated in this region, we are vulnerable to local, regional, and environmental factors including social and civil unrest, regional conflicts, civil disturbances, economic and weather conditions, natural disasters, demographic and population changes, and other unforeseen events. These disruptions could lead to damage or destruction of our manufacturing capabilities, significant transport delays for our products and raw materials, loss of key personnel, and other adverse effects on our business, financial condition, and operations.

Additionally, a significant portion of our domestic sales come from customers in different states, such as Delhi, Maharashtra, Tamil Nadu, Haryana, and Gujarat. This geographical concentration increases our exposure to competition and potential adverse economic and demographic changes in the region, which could affect our business, financial condition, and operations.

As we expand into new markets and geographical areas, we may face competition from national and local players with established local presences and stronger relationships with local customers, government authorities, and suppliers. This could put us at a competitive disadvantage. While we believe we have the necessary expertise and vision to expand into other markets, investors should consider the risks, losses, and challenges we face and should not rely solely on our past performance as an indication of our future performance.

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


The market for our products is highly competitive due to the presence of both organized and unorganized players. Competition primarily revolves around key factors such as product quality, sales network, pricing, and timely delivery. Some of our competitors have extensive industry experience and greater financial, technical, and other resources, giving them the ability to adapt quickly to changing market conditions and maintain their competitiveness. Additionally, the unorganized sector can offer products at highly competitive prices that we may not be able to match, potentially impacting our sales volume and growth prospects.

Increasing competition could lead to a decline in our market share, potentially affecting our margins and, in turn, our business operations and financial condition. Notably, our significant competitors in the organized segment include Poojawestern Metaliks Limited.

We operate in an industry that is undergoing rapid consolidation. The combined strength of companies in the industry could impact our competitive position across all our business areas. Furthermore, if any of our competitors or their customers acquire our customers or suppliers, we may lose business from the customer or lose a supplier, which could have an adverse effect on our business, financial results, and financial condition.

**21. *Our Company is in use of trademark, which is not registered under the Trademarks Act, 1999 as on date***

*of Draft Prospectus. Thus, we may be subject to claims alleging breach of third party intellectual property rights.*

The trademark & logo , which we are using for our business, has not been applied for registration under class 6 under the provisions of the Trademarks Act, 1999. As such, we do not enjoy the statutory protections accorded to a registered trademark as on date. There can be no assurance that we will be able to register the said trademark and the logo in future or that, third parties who have filed objection will not infringe our intellectual property, causing damage to our business prospects, reputation, and goodwill. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property. For further details on above and other trademarks, please refer to chapter titled ***"Our Business"*** beginning on page 100 of this Draft Prospectus.

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

Our success heavily depends on the continued services of our Promoter and Key managerial personnel, particularly Mr. Hitesh Pragajibhai Dudhagara, Mrs. Ronak Hitesh Dudhagara, and Sprayking Limited. We rely significantly on them to execute our day-to-day activities. The loss of any of our Promoter or Key Management Personnel, or failure to recruit suitable or comparable replacements, could have an adverse effect on us. The loss of service of the Promoters and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. If we are unable to retain qualified employees at a reasonable cost, we may be unable to execute our growth strategy. For further details of our Directors and key managerial personnel, please refer to Section "Our Management" on page 128 of this Draft Prospectus.

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

Our Company has entered into various transactions with our Directors, Promoters and Promoter Group members/entities. These transactions, inter-alia includes, issue of shares, rent, interest payments, remuneration, loans and advances, reimbursements etc. For details, please refer to ***Note 34 - Related Party Transactions*** under Section titled ***"Financial Information"*** and Chapter titled ***"Capital Structure"*** beginning on page 153 and 65 respectively of this Draft Prospectus. Our Company has entered into such transactions due to easy proximity and quick execution. While we believe that all such transactions have been conducted on an arm's length basis and in the ordinary course of business, there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

***24. If we are not able to successfully manage our growth, our business and results of operations may be adversely affected.***

The company is experiencing growth and needs to focus on expanding its product portfolio, improving product quality, enhancing sales channels, managing the supply chain, and upgrading information systems and technologies. Managing the business will become more challenging as a wider range of products is developed. The company will need to work with a larger number of business partners and maintain and expand relationships with existing and new partners. Failure to manage the expansion effectively could have a negative impact on the business, financial condition, and results. Additionally, the availability of funds is crucial for the growth and expansion of the business, and the ability to arrange financing depends on various factors. Finally, achieving financial objectives will depend on the ability to identify, evaluate, and accomplish business opportunities, as well as hiring, training, supervising, and managing new employees and implementing effective systems. The success of future strategies cannot be guaranteed under various market conditions.

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

Modernization and technological upgrades are crucial for reducing costs and increasing output. Our machinery and technology may become obsolete if not upgraded in a timely manner, which could hinder our operations and financial standing and lead to loss of competitive edge. While we believe that we have already implemented updated technology, we will continue to strive to keep our technology, plant, and machinery in line with the latest standards. If new technology emerges in brass components or other products, we may need to implement it or upgrade our machinery and equipment. Furthermore, the costs of upgrading our technology and modernizing the plant and machinery are significant and could have a substantial impact on our finances and operations.

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

We could be negatively affected if our products or similar products marketed or sold by others receive bad publicity. If studies raise concerns about the effectiveness or safety of our products, or if other concerns arise, it could harm our reputation and decrease demand for our products. This could have a significant negative impact on our ability to attract new customers and sell our products, leading to a decline in revenues, cash collections, and ultimately our ability to meet operating cash flow requirements.

**27. The average cost of acquisition of Equity Shares by our Promoters and Selling Shareholders could be lower than the Offer price.**

Our promoters and selling shareholders may have acquired their equity shares in our company at a lower cost than the offer price that will be determined by the company in consultation with the lead manager. For more information about the average cost of acquisition of equity shares by our promoters and the accumulation of equity shares by our promoters, please refer to the "Risk Factors" and "Capital Structure" chapters starting on pages 29 and 65, respectively, of this draft prospectus.

**28. There are outstanding legal proceedings involving our Company, our Directors and our Promoters. Any adverse decisions could impact our cashflows and profit or loss to the extent of demand amount, interest and penalty, divert management time and attention, consume financial resources in their defense or prosecution, affect our reputation, standing and future business and have an adverse effect on our business, prospects, results of operations and financial condition.**

There are outstanding legal proceedings involving our Company, our Directors and our Promoters. These proceedings are pending at different levels of adjudication before various courts (including Supreme Court and High Court), tribunals, enquiry officers and appellate tribunals. For details, see “*Outstanding Litigation and Material Developments*” beginning on page 218 of this Draft Prospectus.

**Litigations involving the Company:**

(₹ in lakhs)

Nature of Cases	No. of Outstanding Cases	Amount in dispute/demanded to the extent ascertainable
Actions by statutory and regulatory authorities against the Company	Nil	Nil
Tax proceedings:		
<b>Direct Tax</b>	Nil	Nil
Income Tax	Nil	Nil
TDS defaults	Nil	Nil
<b>Indirect Tax</b>	Nil	Nil
VAT	Nil	Nil
<b>Total</b>	Nil	Nil

*\*To the extent quantifiable*

**Litigations involving our Promoter & Directors:**

(₹ in lakhs)

Nature of Cases	No. of Outstanding Cases	Amount in dispute/demanded to the extent ascertainable
Criminal Proceedings against the Promoter & Director	Nil	Nil
Tax proceedings:		
<b>Direct Tax</b>		
Income Tax	Nil	Nil

TDS defaults	Nil	Nil
<b>Indirect Tax</b>		
Customs Duty	Nil	Nil
<b>Total</b>	Nil	<b>Not Determinable</b>

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

We recognize that our industry is faced with strong competition when it comes to recruiting and retaining both skilled and unskilled labor. Since our industry relies heavily on labor for its manufacturing operations, a shortage of skilled or unskilled workers, as well as work stoppages due to disagreements with employees, could negatively impact our business and financial results. While we have not encountered any major disruptions in the past due to workforce-related issues, there's no guarantee that we won't face such disruptions in the future. These disruptions could harm our business, results of operations, and divert management's attention, leading to increased costs.

India has strict labor laws that safeguard the rights of workers. These laws cover the procedures for establishing unions, dispute resolution, employee dismissal, and financial obligations for employers during retrenchment. We are also bound by regulations governing various aspects of employee relations such as minimum wage, maximum working hours, overtime, working conditions, hiring, termination of employees, and work permits. Although our employees are not currently unionized, there's no guarantee that they won't unionize in the future. If our employees do unionize, it could be challenging for us to maintain flexible labor policies, and we might face the risk of labor unrest, work stoppages, and management distraction due to the influence of the union, which could significantly impact our business, financial condition, and results of operations.

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

We do not have our own transportation facility and we rely on third-party transportation and other logistical services at every stage of our business activities, including procuring products from our suppliers and delivering finished products to our customers. We hire transportation companies for this purpose as needed, but we have not signed any specific agreements with any third-party transport service providers. Transportation solutions in the markets we operate in are typically fragmented. The cost of transporting our goods by these third-party transporters is often much higher than what we pay them, making it difficult for us to recover compensation for damaged, delayed, or lost goods.

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

Our operations are exposed to risks inherent in manufacturing facilities, such as equipment failure, work accidents, fire, earthquakes, floods, and other unexpected events like acts of terrorism and explosions, which could lead to injuries, loss of life, property damage, and environmental harm. Our insurance policies cover various risks, including property insurance, workers' compensation, burglary insurance, and vehicle insurance. However, they do not cover certain risks such as cash in transit, goods in transit, machinery breakdown, group personal accident, or medical insurance. If we fail to effectively protect ourselves against these risks, we could suffer significant losses. There is no guarantee that our insurance policies will be adequate to cover all losses or damages, or that the coverage will continue to be available on reasonable terms or in sufficient amounts to cover large claims. If we experience a significant uninsured loss or if our insurance claims are not accepted, or if an insured loss exceeds our coverage, it could have a materially adverse impact on our business, financial condition, and results of operations.

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

As of the date of this Draft Prospectus, we have not secured any alternative arrangements to meet our capital requirements for the purposes of this offer. We typically fulfill our capital needs through owned funds, debt, and internal accruals. If there is a shortfall in our owned funds and internal accruals, and if we are unable to raise debt in the future, it may result in us being unable to meet our capital requirements, leading to a negative impact on our financial condition and results of operations. Additionally, we have not identified any alternative

source of funding. Therefore, any failure or delay on our part to raise money from this issue, or any shortfall in the net issue proceeds, may cause a delay in our implementation schedule and could adversely affect our growth plans. For more information, please see the chapter titled "Objects of the Offer" beginning on page 75 of this Draft Prospectus.

**33. *The Promoters (including Promoter Group) and Directors hold almost 100% of the Equity Shares of our Company and are therefore interested in the Company's performance in addition to their remuneration and reimbursement of expenses.***

Our Promoter and Directors have vested interests in the Company, including shareholding, dividend entitlement, loans given to the company, and benefits derived from their directorship. There is no guarantee that the Promoter will always act in the best interest of the Company. The Promoters will continue to have significant control over the company, influencing the composition of the Board of Directors and decisions that require voting by shareholders. Other shareholders may not have the ability to influence such decisions. For more details, please see the sections titled "Our Business" and "Our Promoter and Promoter Group" starting on pages 100 and 142, respectively, of this Draft Prospectus.

**34. *We have incurred significant indebtedness which exposes us to various risks which may have an adverse affect on our business and results of our operations***

Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows, general market conditions, economic and political conditions in the markets where we operate, and our capacity to service debt. As of March 31, 2024, our total outstanding indebtedness was ₹ 2,622.10 lakhs.

Our significant indebtedness in the future may result in a substantial amount of debt service obligations which could lead to:

- Increasing our vulnerability to general adverse economic, industry, and competitive conditions.
- Limiting our flexibility in planning for, or reacting to, changes in our business and the industry.
- Affecting our credit rating.
- Limiting our ability to borrow more money both now and in the future.
- Increasing our interest expenditure and adversely affecting our profitability.

If the loans are recalled on short notice, we may be required to arrange for funds to fulfill the necessary requirements. The occurrence of these events may have an adverse effect on our cash flow and financial conditions of the company. For further details regarding our indebtedness, see "Financial Indebtedness" on page 208 of this Draft Prospectus.

**35. *Our Company will not receive any proceeds from the Offer for Sale. The proceeds from the Offer for Sale shall be received directly by the Selling Shareholders.***

Investors should note that a significant part of this public issue consists of the offer for sale, and our company will not directly receive any proceeds from the offering. Instead, the funds raised through the offer will be received by the Selling Shareholders. We will not receive any of the proceeds from the offer for sale portion and, as a result, will not have access to such funds.

**36. *Our Company has unsecured loans which are repayable on demand. Any demand from lenders for repayment of such unsecured loans may adversely affect our cash flows.***

Our company has obtained unsecured loans that can be demanded back by lenders at any time, with or without a default event, and with short notice or no notice. As of the last quarter, the total amount of such loans was ₹1881.10 lakhs. If any lender requests repayment of these loans, our company will need to find other sources of financing, which may not be available on reasonable terms or at all. Consequently, such a demand could significantly impact our business, cash flows, financial position, and results of operations. You can find more details in the "Financial Indebtedness" section on page 208 of this Prospectus.

**37. *Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition.***

Our operations may be affected by incidents of theft or damage to inventory. The business may also experience inventory loss due to employee theft, vendor fraud, and general administrative error. While we have not

experienced such instances in the past, we cannot guarantee that we will not encounter fraud, theft, employee negligence, security lapses, or similar incidents in the future, which could negatively impact our financial condition and operations. Although we have insurance to cover losses from theft, fire, breakage, or damage caused by other events, these could still have a negative effect on our financial condition and operations.

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

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

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

The success of our business will largely depend on our ability to effectively implement our business and growth strategy. In the past we have generally been successful in execution of our business but there can be no assurance that we will be able to execute our strategy on time and within the estimated budget in the future. If we are unable to implement our business and growth strategy, this may have an adverse effect on our business, financial condition, and results of operations.

**40. *We are subject to the restrictive covenants of banks in respect of the Loans/ Credit Limits and other banking facilities availed from them.***

Our financing arrangements contain restrictive covenants whereby we are required to obtain approval from our lender, regarding, among other things such as major changes in share capital, management, changes in fixed assets, creation of any other charge, undertake any guarantee obligation etc. There can be no assurance that such consents will be granted or that we will be able to comply with the financial covenants under our financing arrangements. In the event we breach any financial or other covenants contained in any of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows. For further details on the Cash Credit Limits and other banking facilities, please see “*Financial Indebtedness*” on page no. 208 of the Draft Prospectus.

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

We specialize in the manufacture and supply of brass items which attracts tax liability such as Goods and Service tax and Income tax as per the applicable provisions of law. We are also subject to the labour laws like depositing of contributions with provident fund. Any demand or penalty raised by the concerned authority in future for any previous years or current year will affect the financial position of the Company.

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

The deployment of funds will be entirely at our discretion, based on the parameters as mentioned in the chapter titled “*Objects of the Offer*”. The fund requirement and deployment, as mentioned in the “*Objects of the Offer*” on page 75 of this Draft Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter “*Objects of the Offer*” is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter “*Objects of the Offer*” will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

**43. *Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Draft Prospectus is based on certain assumptions and has been subjected to rounding off, and future production and capacity utilization may vary.***

Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Draft Prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials and assumptions relating to operational efficiencies. Actual production levels and utilization rates may differ significantly from the estimated production capacities or historical estimated capacity utilization information of our facilities. Undue reliance should therefore not be placed on our production capacity or historical estimated capacity utilization information for our existing facilities included in this Draft Prospectus. For further information, see the section titled “**Our Business**” on page 100 of this Draft Prospectus.

**44. *Our Company has higher debt-equity ratio which requires significant cash flows to service our debts obligations, and this, together with the conditions and restrictions imposed by our financing arrangements, fluctuations in the interest rates may limit our ability to operate freely and grow our business.***

Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated from our business, which depends on the timely repayment by our customers. Our financing agreements and instruments contain certain restrictive covenants that limit our ability to undertake fund raising activities, any of which could adversely affect our business, results of operations and financial condition.

If our future cash flows from operations and other capital resources become insufficient to pay our debt obligations or our contractual obligations, or to fund our other liquidity needs, we may be forced to sell assets or attempt to restructure or refinance our existing indebtedness. Our ability to restructure or refinance our debt will depend on the condition of the capital markets, our financial condition at such time and the terms of our other outstanding debt instruments. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments may restrict us from adopting some of these alternatives. In addition, any failure to make payments of interest or principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our creditworthiness or credit rating, which could harm our ability to incur additional indebtedness on acceptable terms.

**45. *Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.***

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholders’ investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. As on date, our Company does not have a formal dividend policy and we cannot assure that we may have a formal dividend policy in future. For details of our dividend history, see ‘*Dividend Policy*’ on page 152 of this Draft Prospectus.

**46. *Certain key performance indicators for certain listed industry peers included in this Draft Prospectus have been sourced from public sources and there is no assurance that such financial and other industry information is complete***

Pursuant to the requirements of the SEBI ICDR Regulations, we have included certain key performance indicators, comprising financial and operational information, for certain listed industry peers, in the “**Basis for Offer Price**” beginning on page 84 of the Draft Prospectus. Although this information is sourced from and relied upon on the consolidated audited financial statements of the relevant listed industry peers as available on the websites of the Stock Exchanges, including the annual reports of the respective companies submitted to Stock Exchanges, there is no assurance that this information with respect to industry peers is either complete. There may be different methodologies and formulas used to compute the various ratios.

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



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

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

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

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

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

- 50. *We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and industry in which we operate contained in the Draft Prospectus.***

While facts and other statistics in the Draft Prospectus relating to India, the Indian economy and the industry in which we operate has been based on various governmental and organizational web site data that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled "*Industry Overview*" beginning on page no. 92 of this Draft Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

- 50. *Certain data mentioned in this Draft Prospectus has not been independently verified.***

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

### **EXTERNAL RISK FACTORS**

- 51. *A slowdown in economic growth in India may adversely affect our business, financial condition, cash flows, results of operations and prospects.***

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by center or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. Further,

there have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the price of our raw materials and demand for our products and, as a result, on our business and financial results. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

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

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter "**Government and Other Approvals**" on page no. 222 for details of the laws currently applicable to us. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on all our business, financial condition, and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. For instance, the Government has proposed a comprehensive national goods and services tax ("**GST**") regime that will combine taxes and levies by the Central and state Governments into a unified rate structure. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. The implementation of this new structure may be affected by any disagreement between certain state Governments, which could create uncertainty. Any such future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

**53. *Instability in financial markets could materially and adversely affect our results of operations and financial condition.***

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, NSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability, and price of our Equity Shares.

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

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19, man-made disasters, including acts of war, terrorist attacks, environmental issues and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition, cash flows and results of operations.

Our operations may be adversely affected by fires, natural disasters, and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. 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 price of the Equity Shares.

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

***55. Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.***

Foreign ownership of Indian securities is subject to government regulation. Under foreign exchange regulations currently in effect in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the rupees proceeds from the sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the Income Tax authorities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained.

***56. If certain labour laws become applicable to us, our profitability may be adversely affected.***

India has stringent labour legislations that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Any change or modification in the existing labour laws may affect our flexibility in formulating labour related policies.

***57. Our performance is linked to the stability of policies and the political situation in India.***

The Government of India has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

***58. We may require further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.***

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the IPO Proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the

then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt-to-equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence affect the trading price of our Company's Equity Shares and its ability to raise capital through an Offer of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company's Equity Shares. Additionally the disposal, pledge or encumbrance of Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge, or encumber their Equity Shares in the future.

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

The Offer price of the equity shares have been based on many factor and may not be indicative of the market price of our Equity Shares after the Offer. For further information please refer the section titled "***Basis for Offer Price***" beginning on page no. 84 of the Draft Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer Price.

***60. Investors other than retail (including non-institutional investors and Corporate Bodies) are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Amount) at any stage after submitting an Application.***

Pursuant to the SEBI ICDR Regulations, Investors other than retail (including non-institutional investors and Corporate Bodies) are not permitted to withdraw or lower their Application (in terms of quantity of Equity Shares or the Amount) at any stage after submitting an Application. While our Company is required to complete Allotment pursuant to the Offer within six Working Days from the Bid/ Offer Closing Date, events affecting the Applicants decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition, may arise between the date of submission of the Application and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the applicant's ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

## **SECTION IV – INTRODUCTION**

### **THE OFFER**

Following table summarizes the present Offer in terms of this Draft Prospectus:

Particulars	Details of Equity Shares
Equity Shares Issued <sup>(1)</sup> Present Issue of Equity Shares by our Company <sup>(2)</sup>	Upto 6,50,000 Equity Shares of face value of ₹ 10 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share aggregating to ₹ [●] lacs. <sup>2)</sup>
<b>Consisting of:</b>	
Fresh Issue	Upto 3,50,000* Equity Shares aggregating up to ₹[●] lakhs
Offer for Sale (OFS)	Upto 3,00,000 Equity Shares aggregating up to ₹[●] lakhs
<b>of which:</b>	
Market Maker Reservation Portion	Issue of upto 36,000 Equity Shares having face value of ₹10 each at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs
Net Issue to Public <sup>3)</sup>	Issue of upto 6,14,000 Equity Shares having face value of ₹10 each at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs
<b>A. Non-Institutional Portion</b>	Not less than 3,07,000 Equity Shares aggregating up to ₹ [●] Lakhs
<b>B. Retail Portion</b>	Not less than 3,07,000 Equity Shares aggregating up to ₹ [●] Lakhs
<b>Pre and Post-Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	20,00,000 Equity Shares of face value of ₹10/- each fully paid-up
Up to 23,50,000 Equity Shares of face value of ₹10/- each fully paid-up	Up to 23,50,000 Equity Shares of face value of ₹10/- each fully paid-up
Use of Net proceeds of this Offer	Please refer the chapter titled “ <i>Objects of the Offer</i> ” on page <b>Error! Bookmark not defined.</b> of this Draft Prospectus.

- 1) This Offer is being made in terms of Regulation 253(2) of Chapter IX of the SEBI (ICDR) Regulations. For further details, please refer to section titled “Issue Information” on page 236 of this Draft Prospectus.
- 2) The present Offer has been authorized pursuant to a resolution of our Board dated June 17, 2024 and vide a special resolution passed under clause (c) of Sub-Section (1) of 62 of the Companies Act, 2013 at an Extra-ordinary general meeting of our shareholders held with a shorter notice on June 17, 2024;
- 3) Each of the Promoter Selling Shareholders have, severally and not jointly, authorised and confirmed inclusion of their portion of the Offered Shares as part of the Offer for Sale, as set out below:

Selling Shareholders	Number of Offered Shares	Date of board resolution/ authorisation	Date of consent Letter	% of the pre-Offer
Mr. Hitesh Pragajibhai Dudhagara	Upto 1,50,000	June 17, 2024	June 15, 2024	19.75%
Mrs. Ronak Hitesh Dudhagara	Upto 1,50,000	June 17, 2024	June 15, 2024	19.75%

- 4) Our Company and the Selling Shareholders, in consultation with the LM, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to applicable law
- 5) The allocation to the Net Issue to the public category shall be made as per the requirements of Sub-Regulation (2) of Regulation 253 of the SEBI (ICDR) Regulations, as amended from time to time:
  - a) Minimum fifty percent to retail individual investors; and
  - b) Remaining to
    - (i) individual applicants other than retail individual investors and
    - (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for

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

*Explanation - For the purpose of sub-regulation (2), if the retail individual investor category is entitled to more than fifty per cent of the Issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage. For further details please refer to the chapter titled “Offer Structure” beginning on page 243 of this Draft Prospectus.*

## **SUMMARY OF FINANCIAL INFORMATION**

*The following tables provide the summary financial information of our Company derived from the Restated Financial Information for the period ended October 29, 2023 and Financial Years ended on March 31, 2024, 2023 and 2022. The Restated Financial Information referred to above is presented under the section titled “Financial Information” on page **Error! Bookmark not defined.** The summary financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the sections titled “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 153 and 210 respectively.*

Sr. No.	Details	Page Number
1.	Summary of Financial Information	50-56

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

RESTATED STATEMENT OF ASSETS & LIABILITIES						
(Rs. In Lakhs)						
Particulars		Anne- xure No.	As at 31st March 2024	As at 29th October 2023	As at 31st March 2023	As at 31st March 2022
<b>I</b>	<b>ASSETS</b>					
<b>1</b>	<b>Non-current assets</b>					
	(a) Property Plant and Equipment's	6	1045.67	1049.83	728.72	528.77
	(b) Capital work-in-progress		-	-	-	-
	(c) Investment Property		-	-	-	-
	(d) Goodwill		-	-	-	-
	(e) Other Intangible assets		-	-	-	-
	(f) Biological Assets other than bearer plants		-	-	-	-
	<b>Total</b>		<b>1045.67</b>	<b>1049.83</b>	<b>728.72</b>	<b>528.77</b>
	(g) Financial Assets					
	i. Investments	7	-	6.42	6.42	6.42
	ii. Trade Receivables		-	-	-	-
	iii. Loan	8	67.21	67.01	78.71	64.64
	(h) Deferred Tax Assets		-	-	-	-
	(i) Other Non-Current Assets		-	-	-	-
<b>2</b>	<b>Current assets</b>					
	(a) Inventories	9	1537.78	1115.97	1051.70	1276.61
	(b) Financial Assets					
	i. Investments		-	-	-	-
	ii. Trade Receivables	10	689.58	833.65	222.58	339.81
	iii. Cash and cash equivalents	11	226.91	1.24	1.57	7.24
	iv. Bank balance other than(iii) above	-	-	-	-	-
	v. Loan	12	99.42	74.31	149.14	234.93
	(c) Current Tax Assets (Net)	13	-	-	-	7.17
	(d) Other Current Assets	14	1021.79	1457.01	25.12	2.65
	<b>Total</b>		<b>4688.36</b>	<b>4605.44</b>	<b>2263.96</b>	<b>2468.25</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>					
<b>1</b>	<b>Equity</b>					
	(a) Share capital/Partner's Fixed Capital	15	200.00	200.00	891.59	331.71
	(b) Other Equity	16	387.19	1257.30	-	-



	<b>Liabilities</b>					
<b>2</b>	<b>Non-current liabilities</b>					
	(a) Financial Liabilities					
	i. Borrowings	17	92.33	153.15	103.94	107.57
	ii. Trade Payables	-	-	-	-	-
	iii. Other Financial Liabilities	-	-	-	-	-
	(b) Provisions	-	-	-	-	-
	(c) Deferred tax liabilities (Net)	18	142.86	129.74	33.88	23.35
	(d) Other non-current liabilities		-	-	-	-
<b>3</b>	<b>Current liabilities</b>					
	(a) Financial Liabilities					
	i. Borrowings	19	2529.77	817.58	489.57	376.81
	ii. Trade payables					
	Total outstanding dues of micro enterprises and small enterprises		31.33	-	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	20	266.54	329.92	589.63	1612.54
	(b) Other current liabilities	21	807.83	1587.31	111.68	16.27
	(c) Current tax liabilities (Net)	22	230.01	130.43	43.67	-
	(d) Provision	23	0.50	-	-	-
	<b>Total</b>		<b>4688.36</b>	<b>4605.44</b>	<b>2263.96</b>	<b>2468.25</b>

**Accounting Policies & Notes on Accounts**  
**As per our Report on Even date attached**  
**For B B Gusani & Associates**  
**Chartered Accountant**

**Bhargav B. Gusani**  
**Proprietor**  
**M. No. 120710**  
**FRN No. 140785W**  
**Place : Jamnagar**  
**Date : 10-07-2024**  
**UDIN: 24120710BJZWDQ7767**

**For. Narmadesh Brass Industries Limited**

**Hitesh Dudhagara**  
**Managing Director**  
**DIN : 00414604**

**Ronak Dudhagara**  
**Director**  
**DIN : 05238631**

**Hetal Vachhani**  
**CS**

**Hiren Patoriya**  
**CFO**

RESTATED STATEMENT OF PROFIT & LOSS							
							Annexure 2
							(Rs. In Lakhs)
Particulars		Annexure No.	From 1st Apr 2023 to 31st Mar 2024	From 30th Oct 2023 to 31st Mar 2024	From 1st Apr 2023 to 29th Oct 2023	For the year ended 31st March 2023	For the year ended 31st March 2022
I.	Revenue from operations	25	7888.45	3996.38	3892.07	5996.18	4426.86
II.	Other income	26	17.66	16.17	1.49	13.03	18.20
III.	<b>Total Income (I + II)</b>		<b>7906.11</b>	<b>4012.55</b>	<b>3893.56</b>	<b>6009.21</b>	<b>4445.06</b>
IV.	Expenses:						
	Cost of Material Consumed	27	6669.55	3244.86	3424.69	5563.27	3775.90
	Purchases of Stock-In-Trade		-	-	-	-	-
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	28	(355.64)	(64.63)	(291.01)	(108.06)	140.46
	Employee benefits expense	29	197.52	101.27	96.25	173.90	178.86
	Finance costs	30	96.93	53.17	43.76	46.07	29.20
	Depreciation and amortization expense	31	63.86	28.74	35.12	44.98	34.76
	Other expenses	32	261.31	130.79	130.52	166.74	153.04
	<b>Total expenses</b>		<b>6933.54</b>	<b>3494.20</b>	<b>3439.34</b>	<b>5886.90</b>	<b>4312.22</b>
V.	<b>Profit before tax (III-IV)</b>		<b>972.57</b>	<b>518.35</b>	<b>454.22</b>	<b>122.31</b>	<b>132.84</b>
VI.	Tax Expense:						
	(1) Current tax		218.18	118.04	100.14	18.42	21.41
	(2) Deferred tax		108.98	13.12	95.86	10.53	9.93
	(3) MAT Credit Entitlement		-	-	-	-	-
VII.	<b>Profit (Loss) for the period (V-VI)</b>		<b>645.41</b>	<b>387.19</b>	<b>258.22</b>	<b>93.37</b>	<b>101.50</b>
	<b>Other Comprehensive Income</b>		-	-	-	-	-
A	(i) Items that will not be reclassified to profit or loss		-	-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-	-	-
B	(i) Items that will be reclassified to profit or loss		-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-	-	-
	<b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>645.41</b>	<b>387.19</b>	<b>258.22</b>	<b>93.37</b>	<b>101.50</b>

<b>VIII</b>	<b>Earnings per equity share:</b>						
	(1) Basic (Adjusted)		32.27	19.36	12.91	4.67	5.07
	(2) Diluted (Adjusted)		32.27	19.36	12.91	4.67	5.07

**Accounting Policies & Notes on Accounts**  
**As per our Report on Even date attached**  
**For B B Gusani & Associates**  
**Chartered Accountant**

**Bhargav B. Gusani**  
**Proprietor**  
**M. No. 120710**  
**FRN No. 140785W**  
**Place : Jamnagar**  
**Date : 10-07-2024**  
**UDIN: 24120710BJZWDQ7767**

**For. Narmadesh Brass Industries Limited**

**Hitesh Dudhagara**  
**Managing Director**  
**DIN : 00414604**

**Ronak Dudhagara**  
**Director**  
**DIN : 05238631**

**Hetal Vachhani**  
**CS**

**Hiren Patoriya**  
**CFO**

RESTATED STATEMENT OF CASHFLOW										
										Annexure 2
(Rs. In Lakhs)										
Particulars	From 1 <sup>st</sup> Apr 2023 to 31 <sup>st</sup> Mar 2024		From 30 <sup>th</sup> Oct 2023 to 31 <sup>st</sup> Mar 2024		From 1 <sup>st</sup> Apr 2023 to 29 <sup>th</sup> Oct 2023		For the Year ended 31 <sup>st</sup> March 2023		For the Year ended 31 <sup>st</sup> March 2022	
<b>Cash flow from Operating Activities</b>										
<b>Net Profit Before tax as per Statement of Profit &amp; Loss</b>		972.57		518.35		454.22		122.31		132.84
Adjustments for :										
Depreciation & Amortisation Exp.	63.86		28.74		35.12		44.98		34.76	
Unpaid Expenses	0.50		0.50							
Interest Income	(0.52)		-		(0.52)		(0.41)		-	
Profit on Sale of Fixed Assets	-		-		-		-		(0.19)	
Dividend	(0.97)		-		(0.97)		(0.97)		(0.97)	
Finance Cost	96.93	159.80	53.17	82.41	43.76	77.39	46.07	89.67	29.20	62.80
<b>Operating Profit before working capital changes</b>		1132.38		600.76		531.62		211.99		195.64
<b>Changes in Working Capital</b>										
Dec/(Inc) Trade receivable	(467.00)		144.07		(611.07)		117.23		207.42	
Dec/(Inc) Other Loans and advances receivable	49.72		(25.11)		74.83		85.79		13.68	
Dec/(Inc) Other Current Assets	(996.67)		435.22		1431.89		(22.47)		8.56	
Inc/(Dec) Trade Payables	(291.76)		(32.05)		259.71		(1022.91)		176.57	
Inc/(Dec) Other Current Liabilities	696.15		(779.48)		1475.63		95.40		(102.47)	
Dec/(Inc) Inventories	(486.08)		(421.81)		64.27		224.91		(221.66)	
Inc/(Dec) Short term Provisions	186.34		99.58		86.76		43.67		(1.59)	

		(1,309.30)		(579.58)		(729.72)		(478.38)		80.50
<b>Net Cash Flow from Operation</b>		(176.92)		21.18		(198.11)		(266.39)		276.14
Less : Income Tax paid		218.18		118.04		100.14		18.42		21.41
<b>Net Cash Flow from Operating Activities (A)</b>		<b>(395.10)</b>		<b>(96.86)</b>		<b>(298.25)</b>		<b>(284.80)</b>		<b>(254.72)</b>
<b><u>Cash flow from investing Activities</u></b>										
Purchase of Fixed Assets	(380.82)		(24.59)		(356.23)		(244.92)		(47.85)	
Sale of Fixed Assets	-		-				-		3.98	
Movement in Non- Current Investment	11.52		(0.20)		11.70		(14.07)		(43.21)	
Movement in Loans & Advances	6.42		6.42		0.00		-		-	
Purchase/Sale of Investment										
Dividend	0.97		-		0.97		0.97		0.97	
Interest Income	0.52		-		0.52		0.41		-	
		(361.41)		(18.37)		(343.04)		(257.62)		(86.11)
<b>Net Cash Flow from Investing Activities (B)</b>		<b>(361.41)</b>		<b>(18.37)</b>		<b>(343.04)</b>		<b>(257.62)</b>		<b>(86.11)</b>
<b><u>Cash Flow From Financing Activities</u></b>										
Proceeds From long Term Borrowing (Net)	(11.61)		(60.82)		49.21		(3.63)		(52.92)	
Short Term Borrowing (Net)	2040.20		1712.19		328.01		119.98		(48.93)	
Interest Paid	(96.93)		(53.17)		(43.76)		(46.07)		(29.20)	
Change in Partners Capital	(949.82)		(1257.30)		307.49		466.47)		(33.72)	
Balance profit transfer to R&S	-	981.84	-	340.89	-	640.95	-	536.75	-	(164.77)
<b>Net Cash Flow from Financing Activities (C)</b>	-	<b>981.84</b>	-	<b>340.89</b>	-	<b>640.95</b>	-	<b>536.75</b>	-	<b>(164.77)</b>

<b>Net (Decrease)/ Increase in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>225.34</b>		<b>225.67</b>		<b>(0.33)</b>		<b>(5.67)</b>		<b>3.84</b>
Opening Cash & Cash Equivalents		1.57		1.24		1.57		7.24		3.40
<b>Cash and cash equivalents at the end of the period</b>		<b>226.91</b>		<b>226.91</b>		<b>1.24</b>		<b>1.57</b>		<b>7.24</b>
<b>Cash And Cash Equivalents Comprise :</b>										
Cash		0.04		0.04		0.37		0.78		0.69
<b>Bank Balance :</b>										
Current Account		226.87		226.87		0.87		0.79		6.55
Deposit Account		-		-		-		-		-
<b>Total :</b>		<b>226.91</b>		<b>226.91</b>		<b>1.24</b>		<b>1.57</b>		<b>7.24</b>

**Accounting Policies & Notes on Accounts**  
**As per our Report on Even date attached**  
**For B B Gusani & Associates**  
**Chartered Accountant**

**Bhargav B. Gusani**  
**Proprietor**  
**M. No. 120710**  
**FRN No. 140785W**  
**Place : Jamnagar**  
**Date : 10-07-2024**  
**UDIN: 24120710BJZWDQ7767**

**For. Narmadesh Brass Industries Limited**

**Hitesh Dudhagara**  
**Managing Director**  
**DIN : 00414604**

**Ronak Dudhagara**  
**Director**  
**DIN : 05238631**

**Hetal Vachhani**  
**CS**

**Hiren Patoriya**  
**CFO**

## **GENERAL INFORMATION**

Our Company was originally formed as a partnership firm under the Indian Partnership Act, 1932 with the registrar of firm Jamnagar vide Registration No. GUJRJ202456 in the name and style of “M/s. Narmada Brass industries”, pursuant to a deed of partnership entered between Mr. Hitesh Pragajibhai Dudhagara, Mrs. Ronak Hitesh Dudhagara, and Mr. Ghanshyamlal Badrilal Somani executed on August 29, 2019. Further the Partnership Firm “M/s. Narmada Brass industries” was converted into Public Limited Company “Narmadesh Brass industries Limited” pursuant to Part I of chapter XXI of the Companies Act, 2013 vide Certificate of Incorporation dated October 30, 2023 by Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U24209GJ2023PLC145839.

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

#### **Narmadesh Brass Industries Limited**

Plot No. 5,8 & 9, Survey No. 433, Shree Ganesh Industrial Hub,  
Changa Village, Jamnagar - 361 012, Gujarat, India.

**Telephone:** +91 028 95299401

**E-mail:** [info@narmadeshbrass.com](mailto:info@narmadeshbrass.com)

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

**CIN:** U24209GJ2023PLC145839

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

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

### **Registrar of Companies**

Our Company is registered with the Registrar of Companies, Ahmedabad, which is situated at the following address:

#### **Registrar of Companies,**

RoC Bhavan, Opp. Rupal Park Society,  
behind Ankur Bus Stop, Naranpura,  
Ahmedabad – 380013, Gujarat, India.

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

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

### **Designated Stock Exchange**

#### **Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”)**

Exchange Plaza, C/1, G Block,  
Bandra Kurla Complex, Bandra (East),  
Mumbai - 400 051, Maharashtra, India.

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

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

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

<b>Sr. No.</b>	<b>Name</b>	<b>Designation</b>	<b>DIN</b>	<b>Address</b>
1.	Mr. Hitesh Pragajibhai Dudhagara	Managing Director	00414604	Gangotri, Janta Fatak, Raghuvir Society, Street No. 2, Indra Road, Dangarvada, Jamnagar – 361004, Gujarat.
2.	Mrs. Ronak Hitesh Dudhagara	Executive Director	05238631	Gangotri, Janta Fatak, Raghuvir Society, Street No. 2, Indra Road, Dangarvada, Jamnagar – 361004, Gujarat.
3.	Mr. Vishal Pansara	Non-Executive Independent Director	02230565	804, Summit-2, Opp-Shell Petrol Pump, Prahladnagar, Satellite, Ahmedabad City, Ahmedabad, Gujarat-380015.
4.	Mr. Krish Dudhagara	Non-Executive Director	10373692	Gangotri Raghuvir Society, Street-3, Janta Fatak Indra Road, Udyognagar, Jamnagar – 361004, Gujarat.

For detailed profile of our Directors, please refer to the chapter titled “*Our Management*” on page 128 of the Draft Prospectus.

### **Chief Financial Officer**

Mr. Hiren Jamanbhai Patoriya, is the Chief Financial Officer of our Company. His contact details are set forth hereunder.  
Plot No. 5,8 & 9, Survey No. 433, Shree Ganesh Industrial Hub, Changa Village, Jamnagar - 361 012, Gujarat, India.

**Telephone:** +91 97275 73318 - **E-mail:** [info@narmadeshbrass.com](mailto:info@narmadeshbrass.com)



### Company Secretary and Compliance Officer

Ms. Hetal Vachhani, is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder.

Plot No. 5,8 & 9, Survey No. 433, Shree Ganesh Industrial Hub,  
Changa Village, Jamnagar - 361 012, Gujarat, India.

**Telephone:** +91 79903 65157

**E-mail:** [info@narmadeshbrass.com](mailto:info@narmadeshbrass.com)

### Investor grievances

Investors may contact the Company Secretary and Compliance Officer and /or the Registrar to the Offer and/or Lead Manager in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders, non-receipt of funds by electronic mode etc.

All grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the Application Form was submitted, giving full details such as name of the sole or First Applicant, Application Form number, Applicant's DP ID, Client ID, PAN, address of Applicant, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Application Amount through the UPI Mechanism), date of Application Form and the name and address of the relevant Designated Intermediary where the Application was submitted. Further, the Applicant shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. In terms of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SCSBs are required to compensate the investor immediately on the receipt of complaint. Further, the post Offer lead manager is required to compensate the investor for delays in grievance redressal from the date on which the grievance was received until the actual date of unblock.

Further, the Applicant shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Applications submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Applicants.

LEAD MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
<b>WEALTH MINE NETWORKS PRIVATE LIMITED</b> 215 B, Manek Centre, P N Marg, Jamnagar-361 001, Gujarat, India <b>Tel. No.:</b> +91 77788 67143 <b>Email:</b> <a href="mailto:info@wealthminetworks.com">info@wealthminetworks.com</a> <b>Investors Grievance Id:</b> <a href="mailto:complaints@wealthminetworks.com">complaints@wealthminetworks.com</a> <b>Website:</b> <a href="https://www.wealthminetworks.com">https://www.wealthminetworks.com</a> <b>Contact Person:</b> Mr. Jay Trivedi <b>SEBI Registration No:</b> INM000013077 <b>CIN:</b> U93000GJ1995PTC025328	<b>KFIN TECHNOLOGIES LIMITED</b> Selenium Tower-B, Plot No 31 and 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500032. <b>Tel. No.:</b> +91 40 6716 2222 <b>Email:</b> <a href="mailto:narmadesh.ipo@kfintech.com">narmadesh.ipo@kfintech.com</a> Investor Grievance Email: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> <b>Website:</b> <a href="http://www.kfintech.com">www.kfintech.com</a> <b>Contact Person:</b> Mr. M Murli Krishna <b>SEBI Registration No:</b> INR000000221 <b>CIN:</b> L72400TG2017PLC117649
LEGAL ADVISORS TO THE OFFER	STATUTORY AUDITOR OF THE COMPANY
<b>M/S. LAWMAX ADVOCATES &amp; SOLICITORS</b> D-251, Ground Floor, Defence Colony New Delhi – 110 024, India. <b>Tel No.:</b> +91 46014134 <b>Email:</b> <a href="mailto:info@lawmax.co.in">info@lawmax.co.in</a> <b>Website:</b> <a href="http://www.lawmax.in">www.lawmax.in</a>	<b>M/S. B.B. GUSANI &amp; ASSOCIATES</b> Chartered Accountants 215-A Manek Centre, P.N. Marg, Jamnagar – 361008, Gujarat, India <b>E-mail:</b> <a href="mailto:bhargavgusani77@gmail.com">bhargavgusani77@gmail.com</a> <b>Telephone:</b> +91 99248 02140

<b>Contact Person:</b> Mr. Kamall Ahuja	<b>Contact Person:</b> Mr. Bhargav Gusani <b>Firm registration number:</b> 140785W
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<b>BANKER TO THE COMPANY</b>	<b>BANKERS TO THE ISSUE / SPONSOR BANK</b>
HDFC Bank Limited HDFC Bank Ltd, Yogeshwar Building, Ranjitnagar Branch, Jamnagar- 361005, Gujarat, India <b>Tel No.:</b> +91 7405259302 <b>Email:</b> <a href="mailto:akash.varia@hdfcbank.com">akash.varia@hdfcbank.com</a> <b>Website:</b> <a href="http://www.hdfcbank.com">www.hdfcbank.com</a> <b>Contact Person:</b> Akash Varia	[•] [•] <b>Tel No.:</b> [•] <b>Email:</b> [•] <b>Website:</b> [•] <b>Contact Person:</b> [•] <b>SEBI Registration No:</b> [•]

Applicants may contact the Lead Manager for complaints, information or clarifications pertaining to the Issue.

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

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

##### **Banker to the Offer**

The Banker(s) to the Issue shall be appointed prior to filing of the Prospectus.

##### **Refund Bank**

The Refund Bank(s) shall be appointed prior to filing of the Prospectus.

##### **Sponsor Bank**

The Sponsor Bank(s) shall be appointed prior to filing of the Prospectus.

#### **Designated Intermediaries:**

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

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

Further, as notified by SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019; the applications through UPI in IPOs can be made only through the SCSBs/ mobile applications whose name appears on the SEBI website [www.sebi.gov.in](http://www.sebi.gov.in) at the following path: Home >> Intermediaries/Market Infrastructure Institutions >> Recognized intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI.

Investor shall ensure that when applying in IPO using UPI, the name of his Bank appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, he/she shall also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the aforesaid list.

##### **Syndicate SCSB Branches**

In relation to ASBA Bids 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. For more information on such branches collecting Bid-cum-Application Forms from the Syndicate at Specified Locations, refer to the above-mentioned SEBI link.

**Registered Brokers**

Bidders can submit Bid cum Application Forms in the Issue using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and email address, is provided on the website of the SEBI at (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>), respectively, as updated from time to time.

**Registrar and Share Transfer Agents**

The list of the Registrar to Issue and Share Transfer Agents (RTAs) eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10> , as updated from time to time.

**Collecting Depository Participants**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of SEBI at (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> ), as updated from time to time.

**IPO Grading**

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

**Credit Rating**

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

**Green Shoe Option**

No Green Shoe Option is applicable for this Offer.

**Brokers to the Offer**

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

**Debenture Trustees**

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

**Appraisal and Monitoring Agency** As per regulation 262(1) of SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Issue size is up to ₹ 10,000 Lakhs. Since the Issue size is below ₹ 10,000 Lakh, our Company has not appointed any monitoring agency for this Offer.

However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

**Type of Issue**

The present Issue is considered to be 100% fixed price Issue.

**Expert Opinion**

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

Our Company has received written consent dated June 20, 2024 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated July 10, 2024 on our restated financial information; and (ii) its report dated July 10, 2024 on the statement of possible special tax benefits in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

### Inter-se Allocation of Responsibilities

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

### Filing

The Draft Prospectus is being filed with NSE Limited, NSE, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India. A Draft Prospectus will not be filed with SEBI nor SEBI will issue any observation on the draft offer document in term of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Further, a soft copy of the Prospectus along with due diligence certificate including additional confirmations shall be filed with SEBI. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Prospectus, along with the material contracts and documents referred elsewhere in the Prospectus, will be delivered to the RoC Office situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat.

### Withdrawal of the Offer

Our Company and the Selling Shareholder in consultation with the Lead Manager, reserve the right to not to proceed with the Offer after the Offer Opening Date but before the Allotment. In such an event, our Company would Offer a public notice in the newspapers in which the pre-Offer advertisements were published, within two (2) days of the Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Lead Manager through, the Registrar to the Offer, 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 Offer is withdrawn after the designated Date, amounts that have been credited to the Public Offer Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final ROC approval of the Prospectus after it is registered with the ROC. If our Company and Selling Shareholder withdraws the Offer after the Offer Closing Date and thereafter determines that it will proceed with an Offer, our Company shall file a fresh Draft Prospectus.

### Changes in Auditor of the Company during the last three years

Except as disclosed in Chapter titled “General Information” beginning on 57 of this Draft Prospectus; there are no changes in the Auditors of the company during the last three years.

### Underwriting Agreement

This Offer is 100% Underwritten by Wealth Mine Networks Private Limited in the capacity of Underwriter to the Offer. The Underwriting agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Offer:

(₹ in lacs)

Name, address, telephone number, Facsimile and e-mail addresses of the Underwriters	No. of Equity Shares Underwritten	Amount Underwritten	% of total Offer size underwritten
<b>Wealth Mine Networks Private Limited</b> 215 B, Manek Centre, P N Marg, Jamnagar-361 001, Gujarat, India. <b>Tel No.:</b> +91 77788 67143 <b>Email:</b> <a href="mailto:info@wealthminenetworks.com">info@wealthminenetworks.com</a> <b>Website:</b> <a href="http://www.wealthminenetworks.com/">www.wealthminenetworks.com/</a> <b>Contact Person:</b> Mr. Jay Trivedi <b>SEBI Registration No:</b> INM000013077	[●]*	[●]	100%

*\*Includes Upto 36,000 Equity shares of Rs.10.00 each for cash of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.*

The above-mentioned is indicative underwriting and will be finalised after determination of Issue Price and Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of the Board, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI or registered as brokers with the Stock Exchange(s).

The Board, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company. Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment.

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

In accordance with Regulation 261 of the SEBI ICDR Regulations, we may entered into an agreement with the Lead Manager and the Market Maker (duly registered with NSE to fulfil the obligations of Market Making) and the Selling Shareholder dated [●] to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Offer.

[●], registered with NSE Emerge Platform will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

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

<b>Rikhav Securities Limited</b> B/507-502, O2 Commercial Building , Asha Nagar, Mulund (W), Mumbai- 400080, Maharashtra, India Tel. No.: 022-69078200/300 Email: <a href="mailto:info@rikhav.net">info@rikhav.net</a> Website: <a href="http://www.rikhav.net">www.rikhav.net</a> Contact Person: Mr. Hitesh H Lakhani SEBI Registration No: INZ000157737	Upto 36,000	[●]
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**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 Stock Exchange. Further, the Market Maker shall inform Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The prices quoted by the Market Maker shall be in compliance with the Market Maker Spread requirements and other particulars as specified or as per the requirements of NSE Emerge 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 issue their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of ₹ [●] per share the minimum lot size is [●] Equity Shares thus minimum depth of the quote shall be [●] until the same, would be revised by NSE.
4. After completion of the first three months of market making, in terms of SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; the Market Maker shall be exempt from providing buy quote on attaining the prescribed threshold limits (including the mandatory allotment of 5% of Equity Shares of the Offer). Further, the Market Maker can offer buy quotes only after the Market Maker complies with prescribed re-entry threshold limits. Only those Equity Shares which have been acquired by the Market Maker on the platform of the Emerge Exchange during market making process shall be counted towards the Market Maker's threshold. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process, the concerned Stock Exchange may intimate the same to SEBI after due verification.
5. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the company will be placed in Special Pre-Open Session (SPOS) and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity shares on the Stock Exchange.
6. 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.
7. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and NSE Emerge from time to time.
8. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
9. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
10. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on NSE Emerge and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
11. 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.
12. The Market Maker shall have the right to terminate said arrangement by giving three month notice or on mutually acceptable terms to the Company, who shall then be responsible to appoint a replacement Market Maker. The Market Maker has to act in that capacity for a period of three years.
13. 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.
14. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Managers, who shall then be responsible to appoint a replacement Market Maker.
15. In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager/Merchant Banker to arrange for another

Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager/Merchant Banker reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

16. **Risk containment measures and monitoring for Market Maker:** Emerge Platform of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
17. **Punitive Action in case of default by Market Maker:** Emerge Platform of NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

18. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to Rs. 250 Crores, the applicable price bands for the first day shall be:

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

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

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

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

19. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Markets 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 Crores	25%	24%
₹20 to ₹50 Crores	20%	19%
₹50 to ₹80 Crores	15%	14%
Above ₹80 Crores	12%	11%

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

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



## **CAPITAL STRUCTURE**

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

(Amount in Rs. except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue Price
<b>A.</b>	<b>Authorised Share Capital out of which:</b>		
	50,00,000 equity shares of face value of ₹10.00/- each	5,00,00,000	-
<b>B.</b>	<b>Issued, Subscribed and Paid-up Share Capital before the Issue out of which</b>		
	20,00,000 equity shares of face value of ₹10.00/- each	2,00,00,000	-
<b>C.</b>	<b>Present Offer in terms of this Draft Prospectus<sup>(1)</sup></b>		
	Offer of Upto 6,50,000* Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share	65,00,000	[●]
	Offer for sale of Upto 3,00,000 Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share	30,00,000	[●]
	Fresh Issue of Upto 3,50,000* Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share	35,00,000	[●]
	<b>Which comprises:</b>		
	Upto 36,000 Equity Shares of Rs. 10/- each at a price of Rs. [●] per Equity Share reserved as Market Maker Portion	3,60,000	[●]
	Net Issue to Public of Upto 6,14,000 Equity Shares of Rs. 10/- each at a price of Rs. [●] per Equity Share to the Public	61,40,000	[●]
	<b>Of which<sup>(2)</sup>:</b>		
	Up to 3,07,000 Equity Shares of Rs. 10/- each at a price of Rs. [●] per Equity Share will be available for allocation for Investors of up to Rs. 2.00 lakhs	[●]	[●]
	Up to 3,07,000 Equity Shares of Rs. 10/- each at a price of Rs. [●] per Equity Share will be available for allocation for Investors of above Rs. 2.00 lakhs	[●]	[●]
<b>D.</b>	<b>Paid-up Share Capital after the Offer</b>		
	23,50,000 Equity Shares of Rs. 10/- each		[●]
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Offer	0.00	
	After the Offer		[●]

<sup>(1)</sup>This Offer has been authorised by our Board vide resolution dated June 17, 2024 which is subsequently approved by our Shareholders vide special resolution passed under clause (c) of sub-section (1) of Section 62 of Companies Act, 2013 at an extra-ordinary general meeting dated June 17, 2024.

<sup>(2)</sup> The Selling Shareholder has specifically confirmed that its respective portion of the Offered Shares are eligible to be offered for sale in the Offer in accordance with the SEBI ICDR Regulations. Our Board of Directors has taken on record the approval for the Offer for Sale by the Selling Shareholder pursuant to a resolution dated June 17, 2024. For further details of authorizations received for the Offer for Sale, see "Other Regulatory and Statutory Disclosures" on page 225 of this Draft Prospectus.

<sup>(3)</sup> Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Offer Price. Under-subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

Our Company may consider issuing Equity Shares on a private placement basis for cash consideration aggregating up to ₹1,000.00 Lakhs. The Pre-IPO Placement may be undertaken by our Company at its discretion. The Pre-IPO Placement will be at a price to be decided by our Company, in consultation with the Lead Managers and the Pre-IPO Placement, if any, will be undertaken prior to filing of the Final Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Issue, subject to the minimum Offer size constituting at least 25% of the post-Issue paid-up Equity Share capital of our Company.

## Classes of Shares

Our Company has only one class of share capital i.e. Equity Shares of face value of Rs. 10/- each only. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Prospectus.

## Details of changes in Authorized Share Capital of our Company since incorporation

Sr. No.	Particulars of Change	Authorized Share Capital (₹)	Date of meeting	Whether AGM/EGM
1.	Incorporated with an Authorized Share Capital of ₹5,00,00,000 comprising of 50,00,000 Equity Shares of ₹ 10/- each	5,00,00,000	-	On Incorporation

## NOTES TO THE CAPITAL STRUCTURE

### 1. Share Capital History of our Company:

#### Equity Share Capital

Date of Allotment	No. of Equity Shares	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Reason/Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid-up Capital (Rs.)
On Incorporation (October 30, 2023)	20,00,000	10	10	Other than Cash- against the outstanding Credit Balance of respective Individual Partner's Fixed Capital Account <sup>(1)</sup>	Subscription to Memorandum of Association pursuant to conversion of partnership firm	20,00,000	2,00,00,000

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

## Notes to the Capital Structure

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

### 1. Initial Subscribers to the Memorandum of Association subscribed 20,00,000 Equity Shares of Face Value of Rs. 10/- each, details of which are given below:

Sr. No.	Names of Subscribers	Number of Shares Allotted
1.	Sprayking Limited (Formerly known as Sprayking Agro Equipment Limited)	12,00,000
2.	Mr. Hitesh Pragajibhai Dudhagara	3,95,000
3.	Mrs. Ronak Hitesh Dudhagara	3,95,000
4.	Mr. Krish Dudhagara	2,000
5.	Mr. Pragajibhai Dudhagara	2,000
6.	Mrs. Parvatiben Dudhagara	2,000
7.	Mr. Shashank P. Doshi	4,000
	<b>TOTAL</b>	<b>20,00,000</b>

Our Company do not have any preference share capital as on the date of this Draft Prospectus.

**2. Issue of equity shares for consideration other than cash or out of revaluation reserves and through Bonus Issue:**

Our Company has not issued any Equity Shares for consideration other than cash as on date of this Draft Prospectus.

3. As of date of this Draft Prospectus, our Company has not allotted Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 and/or sections 230-234 of the Companies Act, 2013.
4. Our Company has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation of reserves.
5. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
6. There are no equity shares against which depository receipts have been issued.
7. As on the date filing this Draft Prospectus, other than the equity shares, there are no other class of securities issued by our Company. Further, our Company does not have any preference share capital as on the date filing this Draft Prospectus.
8. Except as disclosed below, our Company has not issued Equity shares at price below the Issue price within last one year from the date of the Draft Prospectus.

Date of Allotment	Names of Allottees	Number of Shares Allotted*	Face Value (₹)	Issue Price (₹)	Category	Reasons for allotment
On Incorporation	Sprayking Limited (Formerly known as Sprayking Agro Equipment Limited)	12,00,000	10	10	Promoter	Against the outstanding credit balance of individual partner's fixed capital account, other than cash, in the event of conversion of the partnership firm to a limited company
	Mr. Hitesh Pragajibhai Dudhagara	3,95,000			Promoter	
	Mrs. Ronak Hitesh Dudhagara	3,95,000			Promoter	
	Mr. Krish Dudhagara	2,000			Promoter Group	
	Mr. Pragjibhai Dudhagara	2,000			Promoter Group	
	Mrs. Parvatiben Dudhagara	2,000			Promoter Group	
	Mr. Shashank P. Doshi	4,000			Public	
	<b>TOTAL</b>	<b>20,00,000</b>				

9. All the Equity Shares of our Company are fully paid up as on the date of this Draft Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be allotted fully paid-up equity shares.
10. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.

**11. Shareholding Pattern of our Company**

The table below represents the shareholding pattern of our Company as on the date of this Draft Prospectus

Category (I)	Category of Share- holder (II)	No. of Share-holder (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 (incl. Warrants) (X)	Share Holding as a % assuming Full convertible securities (as a% of Diluted Share Capital)(XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked In shares (XII)		No. of shares Pledged Or Otherwise encumbered (XIII)		No. of Equity shares held in Demat form (XIV)
								No of voting Right			Total As a % of (A+B+C)			No (a)	As a %of total shares held (b)	No (a)	As a % of total shares held (b)	
								Class Equity	Class	Total								
A	Promoters & Promoter Group	7	19,98,000	-	-	19,98,000	99.90	19,98,000	-	19,98,000	99.90	-	99.90	-	-	-	-	19,98,000
B	Public	1	2000	-	-	2000	0.10	2000	-	2000	0.10	-	0.10	-	-	-	-	2000
C	Non Promoters Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts										-	-	-	-	-	-	-	
	<b>Total</b>	<b>8</b>	<b>20,00,000</b>	<b>-</b>	<b>-</b>	<b>20,00,000</b>	<b>100</b>	<b>20,00,000</b>	<b>-</b>	<b>20,00,000</b>	<b>100</b>	<b>-</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,00,000</b>

Note:

- 1) As on the date of this Prospectus 1 Equity Shares holds 1 vote. The entire pre-IPO equity share of the company will be locked in prior to listing of shares on the Emerge Platform of NSE.
- 2) PAN of all shareholders will be provided to the stock exchange by our Company prior to Listing of Equity Share on the Stock Exchange.
- 3) Our Company will file the shareholding pattern of our Company, in the form prescribed under SEBI (LODR) Regulations, 2015, as amended from time to time, one day prior to the listing of Equity Shares. The shareholding pattern will be uploaded on the website of Stock Exchanges before commencement of trading of such Equity Shares.
- 4) The term "Encumbrance" has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time.

## 12. Other details of shareholding of our Company

- a) Particulars of the shareholders holding 1% or more of the paid-up share capital of our Company aggregating to 99.50% of the paid-up share capital and the number of shares held by them as on the date of filing of this Draft Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre - Issue Equity Share Capital
1	Sprayking Limited (Formerly Sprayking Agro Equipment Limited)	12,00,000	60.00%
2	Mr. Hitesh Pragajibhai Dudhagara	3,95,000	19.75%
3	Mrs. Ronak Hitesh Dudhagara	3,95,000	19.75%
<b>Total</b>		<b>19,90,000</b>	<b>99.50%</b>

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

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre - Issue Equity Share Capital
1	Sprayking Limited (Formerly Sprayking Agro Equipment Limited)	12,00,000	60.00%
2	Mr. Hitesh Pragajibhai Dudhagara	3,95,000	19.75%
3	Mrs. Ronak Hitesh Dudhagara	3,95,000	19.75%
<b>Total</b>		<b>19,90,000</b>	<b>99.50%</b>

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

Our Company was incorporated on October 30, 2023 pursuant to conversion of the partnership firm “M/s. Narmada Brass Industries” which is less than two years prior to the date of filing of the Draft Prospectus. Hence, requirement of disclosing the list of shareholders prior to two years from the date of filing of the Prospectus is not applicable on us.

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

Our Company was incorporated on October 30, 2023 pursuant to conversion of the partnership firm “M/s. Narmada Brass Industries” which is less than two years prior to the date of filing of the Draft Prospectus. Hence, requirement of disclosing the list of shareholders prior to two years from the date of filing of the Prospectus is not applicable on us.

- e) None of the shareholders of our Company holding 1% or more of the paid-up capital of the Company as on the date of the filing of the Draft Prospectus are entitled to any Equity Shares upon exercise of warrant, option or right to convert a debenture, loan or other instrument.
- f) Our Company has not made any initial public offer of its Equity Shares or any convertible securities during the preceding 02 (two) years from the date of this Draft Prospectus.
- g) The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (₹)
1.	Sprayking Limited (Formerly known as Sprayking Agro Equipment Limited)	12,00,000	10
2.	Mr. Hitesh Pragajibhai Dudhagara	3,95,000	10
3.	Mrs. Ronak Hitesh Dudhagara	3,95,000	10

*\*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 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.

As certified by the M/s. B B Gusani & Associates, Chartered Accountants pursuant to their certificate dated July 11, 2024.

- h) Weighted Average Price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Draft Prospectus.

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (₹)
1.	Sprayking Limited (Formerly known as Sprayking Agro Equipment Limited)	NIL	NA
2.	Mr. Hitesh Pragajibhai Dudhagara	NIL	NA
3.	Mrs. Ronak Hitesh Dudhagara	NIL	NA

13. Our Company does not have any intention or proposal to alter its capital structure within a period of six (06) months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares whether preferential or bonus, rights or further public issue basis. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

14. Build-up of the Promoters' shareholding in our Company:

As on the date of this Draft Prospectus, Our Promoters Sprayking Limited, Mr. Hitesh Pragajibhai Dudhagara and Mrs. Ronak Hitesh Dudhagara holds 19,90,000 equity shares of the company. None of the Equity Shares held by our Promoters is subject to any pledge.

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

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Consideration	Nature of Issue	Pre-Issue Shareholding %	Post-Issue Shareholding %
<b>Sprayking Limited (Formerly known as Sprayking Agro Equipment Limited)</b>							
October 30, 2023	12,00,000	10	10	Cash	Subscription to MOA	60.00	[●]
<b>Total (A)</b>	<b>12,00,000</b>					<b>60.00</b>	<b>[●]</b>
<b>Mr. Hitesh Pragajibhai Dudhagara</b>							
October 30, 2023	3,95,000	10	10	Cash	Subscription to MOA	19.75	[●]
<b>Total (B)</b>	<b>3,95,000</b>					<b>19.75</b>	<b>[●]</b>
<b>Mrs. Ronak Hitesh Dudhagara</b>							
October 30, 2023	3,95,000	10	10	Cash	Subscription to MOA	19.75	[●]
<b>Total (C)</b>	<b>3,95,000</b>					<b>19.75</b>	<b>[●]</b>

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

15. As on the date of the Draft Prospectus, the Company has 8 (Eight) members/shareholders.
16. The details of the Shareholding of the Promoters and members of the Promoter Group as on the date of this Draft Prospectus are set forth in the table below:

Names	Pre IPO		Post IPO	
	Shares Held	% Shares Held	Shares Held	% Shares Held
<b>Promoters (A)</b>				
Sprayking Limited (Formerly known as Sprayking Agro Equipment Limited)	12,00,000	60.00	[●]	[●]
Mr. Hitesh Pragajibhai Dudhagara	3,95,000	19.75	[●]	[●]
Mrs. Ronak Hitesh Dudhagara	3,95,000	19.75	[●]	[●]
<b>Sub Total (A)</b>	<b>19,90,000</b>	<b>99.50</b>	<b>[●]</b>	<b>[●]</b>
<b>Promoter Group (B)</b>				

Names	Pre IPO		Post IPO	
	Shares Held	% Shares Held	Shares Held	% Shares Held
Mr. Pragjibhai Meghajibhai Dudhagara	2,000	0.10	[●]	[●]
Mrs. Parvatiben Pragjibhai Dudhagara	2,000	0.10	[●]	[●]
Mr. Krish Hitesh Pragajibhai Dudhagara	2,000	0.10	[●]	[●]
Mrs. Kalpanaben Dholariya	2,000	0.10	[●]	[●]
<b>Sub Total (B)</b>	8,000	0.40	[●]	[●]
<b>Total (A) + (B)</b>	<b>19,98,000</b>	<b>99.90</b>	[●]	[●]

17. The Promoters, Promoter Group, Directors of our Company and their relatives have not undertaken purchase or sale transactions in the Equity Shares of our Company, during a period of six (06) months preceding the date on which this Draft Prospectus is filed with Stock Exchange Except as below: other than transfer of 2000 shares each to Mrs. Kalpanaben Dholariya.

Date of Transfer	Name of the Transferor	Name of the Transferee	Number of the Equity Shares transferred	Transfer price per Equity Share (in Rs.)
04.07.2024	Shashank P. Doshi	Mrs. Kalpanaben Dholariya	2000	630/-

18. There are no financing arrangements wherein the Promoters, Promoter Group, the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six (06) months immediately preceding the date of filing of the Draft Prospectus.

19. Promoter's Contribution and other Lock-In details:

- a) Pursuant to Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20.00% of the fully diluted post-Issue capital of our Company held by the Promoters shall be locked in for a period of three years from the date of Allotment ("Minimum Promoter's Contribution"), and the Promoters' shareholding in excess of 20% of the fully diluted post-Issue Equity Share capital shall be locked in for a period of one year from the date of Allotment.
- b) The lock-in of the Minimum Promoter's Contribution would be created as per applicable laws and procedures and details of the same shall also be provided to the Stock exchange before the listing of the Equity Shares.

Following are the details of Minimum Promoter's Contribution:

Date of Allotment/ Transfer and made fully Paid Up	No. of Equity Shares locked-in	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Nature of transaction	Post-Issue Shareholding%*	Lock in Period
<b>Sprayking Limited</b>						
October 30, 2023	6,00,000	10	10	Subscription to Memorandum of Association	[●]	3 years
<b>Total</b>	<b>6,00,000</b>				[●]	

\* Subject to finalization of Basis of Allotment.

For details on the build-up of the Equity Share capital held by our Promoters, see chapter titled "Capital Structure" shareholding" on page 65.

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

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

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets



- Equity Shares resulting from bonus issue by utilization of revaluations reserves or unrealized profits of the Company or from bonus issue against Equity Shares which are otherwise ineligible for minimum promoters' contribution;
- Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- Equity Shares held by the Promoters that are subject to any pledge; and
- Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Promoters' Contribution subject to lock-in.

Further, 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: Provided that specified securities, allotted to the promoters against the capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible;

As on the date of filing the offer document, the specified securities that have been allotted to the promoters against the capital existing in such firms for a period of more than one year on a continuous basis shall be eligible.

Our Company has been formed by the conversion of a partnership firm into a company in the past one year and thus, Equity Shares have been issued to our Promoters upon conversion of a partnership firm. 20,00,000 Equity Shares have been issued on October 30, 2023 pursuant to said conversion. All the Equity Shares held by the Promoters and the members of the Promoter Group are held in dematerialized form.

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

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

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

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

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

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

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



20. Our Company, our Promoters, our Directors and the Lead Manager have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.
21. The post-Issue paid up Equity Share Capital of our Company shall not exceed the authorised Equity Share Capital of our Company.
22. There have been no financing arrangements whereby our Directors or any of their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Draft Prospectus.
23. No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.
24. There neither have been and there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Draft Prospectus until the Equity Shares have been listed on the Stock Exchange or all application monies have been refunded, as the case may be.
25. Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Prospectus.
26. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
27. Our Company shall ensure that any transactions in Equity Shares by our Promoters and the Promoter Group during the period between the date of filing the Draft Prospectus and the date of closure of the Issue, shall be reported to the Stock Exchanges within 24 hours of the transaction.
28. All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Prospectus.
29. As on the date of this Draft Prospectus, the Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
30. Our Promoters and the members of our Promoter Group will not participate in the Issue.
31. Following are the details of Equity Shares of our Company held by our Directors, Key Management Personnel:

Sr. No.	Name of Director	Number of Equity Shares	% of the pre-Issue Equity Share Capital
1.	Mr. Hitesh Pragajibhai Dudhagara	3,95,000	19.75%
2.	Mrs. Ronak Hitesh Dudhagara	3,95,000	19.75%
3.	Mr. Krish Dudhagara	2,000	0.10%

32. Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.
33. The members of the Promoter Group, our Directors or the relatives of our Directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the 6 (Six) months preceding the date of this Draft Prospectus.
34. Our Company shall ensure that transactions in the Equity Shares by the Promoters and members forming a part of the Promoter Group and/ or Group Companies/Entities between the date of filing this Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.
35. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “Basis of Allotment” in the chapter titled “Offer Procedure” beginning on page 245 of this Draft Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.

36. An investor cannot make an application for more than the number of Equity Shares offered in this Offer, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
37. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Offer. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to 3-year lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
38. 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 Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines
39. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Offer.
40. As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.

## **OBJECT OF THE OFFER**

The Offer comprises of a Fresh Issue of upto 3,50,000 Equity Shares and the Offer for Sale of upto 3,00,000 Equity Shares, aggregating up to [●] at an Offer Price of ₹ [●] per Equity Share by our Company. For further details, see “*The Offer*” beginning on page 48.

### **The Offer for Sale**

The Selling Shareholder will be entitled to receive the proceeds of the Offer for Sale after deducting its proportion of the Offer expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale. The proceeds of the Offer for Sale will be received by the Selling Shareholder and will not form part of the Net Proceeds. For further details of the Offer for Sale, see ‘*The Offer*’ on page 48.

### **Fresh Issue**

We intend to utilize the net proceeds of the Fresh Issue i.e. gross proceeds of the Fresh Issue less the Offer related expenses apportioned to our Company (“**Net Proceeds**”) are proposed to meet the following objects:

1. Repayment, whether in part or full, of specific Outstanding of Capital Contribution of retired partner of the company
  2. Funding the incremental working capital requirements of our Company; and
  3. General corporate purposes.
  4. Offer Related Expenses
- (Collectively, referred to herein as the “*Objects*”).

In addition, we expect to achieve the benefits of listing of our Equity Shares on the Stock Exchanges, including enhancement of our Company’s brand name and creation of a public market for our Equity Shares in India. 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 and the objects incidental and ancillary to the main objects clause as set out in the Memorandum of Association enables our Company to undertake our existing business activities; and to undertake the proposed activities for which the funds are being raised by us in the Fresh Issue.

### **Net Proceeds**

The details of the proceeds of the Fresh Issue are summarized in the table below:

Particulars	Estimated amount (in ₹ Lakhs)
Gross proceeds from the Fresh Issue	[●]
Less: Offer related expenses in relation to Fresh Issue (only those apportioned to our Company) *	[●]
<b>Net Proceeds**</b>	[●]

\*The total Offer Expenses are estimated at ₹ [●] lakhs out of which ₹ [●] lakhs shall be borne by our Company and ₹ [●] lakhs shall be borne by the Selling Shareholder.

\*\*To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

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

The Net Proceeds are proposed to be utilized in accordance with the details provided hereunder:

Particulars	Amount (in ₹ Lakhs)
Repayment, whether in part or full, of specific Outstanding of Capital Contribution of retired partner of the company	470.07
Funding working capital requirements of our Company	1,100.00
General corporate purpose*	[●]
<b>Net Proceeds*</b>	[●]

\*To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Fresh Issue.

## Deployment of funds and schedule of implementation

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

(in ₹ lakhs)

Particulars	Amount to be funded from Net Proceeds	Break-up of the expenditure
		Fiscal 2025
Repayment, whether in part or full, of specific capital contributions made by partners to the Company	470.07	470.07
Funding incremental working capital requirements of our Company	1,100.00	1,100.00
General Corporate Purpose*	[●]	[●]
<b>Net Proceeds*</b>	[●]	[●]

*\*To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Fresh Issue .*

Our fund requirements and proposed deployment of the Net Proceeds are based on our internal management estimates as per our business plan based on current circumstances of our business prevailing market conditions. Further, such fund requirements and proposed deployment of funds have not been appraised by any bank or financial institution or any other independent agency. We may need to revise our estimates from time to time in light of various factors such as changes in costs, our financial condition, business and strategy or external circumstances such as market conditions, the economic conditions, changing regulatory policies, prevailing competitive environment, interest or exchange rate fluctuations, which may not be in our control. This may entail rescheduling the proposed utilization of the Net Proceeds and changing the allocation of funds from our planned allocation at the discretion of our management, subject to compliance with applicable laws. In the event that the estimated utilization out of the Net Proceeds in a Fiscal is not met (in part or full), such unutilized amount shall be utilized in the succeeding Fiscal(s) i.e. Fiscal 2025, as determined by our Company, in accordance with applicable law.

In case we require additional capital towards meeting the objects of the Fresh Issue, our Company may explore arrange of options including utilising internal accruals and availing additional debt from existing and/or future lenders. In the event our Board deems appropriate, the amount allocated for estimated schedule of deployment of Net Proceeds in a particular fiscal may be repaid/ pre-paid in part or full by us in the subsequent fiscal in compliance with applicable laws. We believe that such alternate arrangements would be available to fund any such shortfalls. If the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used for funding future growth opportunities, and/or towards funding any of the other existing objects (if required), and/or general corporate purposes within the permissible limit in accordance with applicable law. For further details, please refer “Risk Factors” on page no. 29.

## Means of finance

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

Particular	Amount (Rs. In Lakhs)
Net Issue Proceeds	[●]
<b>Total</b>	[●]

Since, the entire fund requirement is to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.

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. 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 29 of this Draft Prospectus.

## Details of the Objects

### 1. Repayment, whether in part or full, of specific Outstanding of Capital Contribution of retired partner of the company

Sr. No	Name of Lender	Nature of Loan	Date of Conversion into Loan	Amount as on date of Conversion	Amount outstanding as on June 15, 2024	Rate of interest As per latest renewal	Pre- payment Penalty
1	Ghanshyamlal Badrilal Somani	Outstanding Capital of Retired partner	22 <sup>nd</sup> May, 2023	670.07 Lacs	470.07 lacs	Nil	Not Applicable

*\*Our Statutory Auditors by way of their certificate dated July 11, 2024 have confirmed that the borrowings specified above.*

Ghanshyamlal Badrilal Somani had a partnership capital of ₹670.07 lakhs at the time of retiring from the partnership firm. As of October 30, 2023, the total capital owed to Ghanshyamlal Badrilal Somani amounted to ₹670.07 lakhs.

Please refer to page 153 for additional details on our financial commitments in the "Financial Information" section.

Our company intends to utilize ₹470.07 lakhs from the Net Proceeds to settle the outstanding partner's capital, which has been certified by the Statutory Auditor of the Company, as of June 17, 2024.

The decision to retire a partner and bring on new partners has led us to transition into a corporate entity. This transition has allowed us to maintain our business's fundamental strengths while also introducing new directions. The resulting advantages include enhanced financial performance, increased competitive power in the market, and sustainable growth. The corporate structure and leadership team have laid a solid foundation for long-term growth.

By embracing these changes, we have positioned ourselves to harness the strengths of our new corporate structure, ensuring ongoing success and value creation for all stakeholders. Furthermore, we are confident that this transition will bolster our capacity to raise additional resources in the future and support potential business development opportunities.

### 2. Funding incremental working capital requirements of our Company

Our Company proposes to utilise ₹ 1,100.00 lakhs from the Net Proceeds to fund our working capital requirements. Our business is working capital intensive and we fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals and financing from various banks and financial institutions. As on March 31, 2024, the Company had total sanctioned limit of working capital facilities of ₹ 1,000 lakhs and has utilized ₹ 967.18 lakhs. March 31, 2024, our total borrowings amounted to ₹ 2,622.10 lakhs. For further information, see "Financial Information" on page 153.

***Basis of estimation of incremental working capital requirement***

The details of our Company's working capital as at March 31, 2022, March 31, 2023, March 31, 2024 and March 31, 2025 and for the period ended October 29, 2023 the sourcing of funding, derived from the restated standalone financial statements of our Company are provided in the table below:

On the basis of our existing working capital requirements and the projected working capital requirements, our Board pursuant to its resolution dated July 11, 2024 has approved the working capital requirements of our Company, details of which are provided below:

Our Company proposes to utilize ₹ 1,100.00 Lakhs from the Net Proceeds towards funding the working capital requirements of the Company.

(in ₹ lakhs)

Sr. No.	Particulars	As per restated financials statement (Actual)			Actual	Projected
		For the year ended 31 March 2022	For the year ended 31 March 2023	For the Period ended on 29 <sup>th</sup> October, 2023	For the Period ended on 31 <sup>st</sup> , March 2024	For the year ended 31 <sup>st</sup> March, 2025
<b>I.</b>	<b>Current Assets</b>					
a)	Inventories					
	- Raw Materials	679.95	346.98	120.24	477.42	954.84
	- Work in Progress	455.20	513.25	522.31	683.27	1195.72
	- Finished Goods	141.47	191.48	473.42	377.09	659.91
b)	Trade Receivables	339.81	222.58	833.65	689.58	1206.77
c)	Cash and Cash Equivalents	7.24	1.57	1.24	226.91	283.33
d)	Loans	234.93	149.14	74.31	1,121.21	1009.09
e)	Current Tax Assets (Net)	1.92	-	-	-	-
f)	Other Current Assets	2.65	25.12	1,457.01	-	13.82
	<b>TOTAL CURRENT ASSETS (I)</b>	<b>1,863.17</b>	<b>1,450.12</b>	<b>3,482.18</b>	<b>3,575.48</b>	<b>5323.48</b>
<b>II.</b>	<b>Current Liabilities</b>					
a)	Trade payables	1,612.55	589.63	329.92	297.87	357.44
b)	Other current liabilities	16.27	111.68	1,587.32	807.83	1207.69
c)	Current tax liabilities (Net)	-	49.59	136.35	230.01	418.37
d)	Provisions	-	-	-	0.50	0.70
	<b>TOTAL CURRENT LIABILITIES (II)</b>	<b>1,628.82</b>	<b>750.90</b>	<b>2,053.59</b>	<b>1,336.21</b>	<b>1,984.21</b>
<b>III.</b>	<b>Net Working Capital Requirements (I-II)</b>	<b>234.35</b>	<b>699.22</b>	<b>1,428.59</b>	<b>2,239.27</b>	<b>3,339.27</b>
<b>IV.</b>	<b>Existing funding pattern</b>					
a)	Less: Existing Bank Borrowings (Short term)	234.35	489.57	467.58	607.51	607.51
b)	Loan from Directors, Relatives & Others	-	-	350.01	1264.59	1264.59
c)	Internal Accruals*/Existing Networth	-	209.65	611.00	367.17	367.17
d)	Proceeds from IPO	-	-	-	-	1100.00
	<b>Total</b>	<b>234.35</b>	<b>699.22</b>	<b>1,428.59</b>	<b>2,239.27</b>	<b>3,339.27</b>

\*Internal Accruals = Total working capital requirement less short term borrowings.

(in days)

Holding Period	For the year ended 31 March 2022	For the year ended 31 March 2023	For the Period ended on 29 <sup>th</sup> October, 2023	For the Period ended on 31 <sup>st</sup> , March 2024	For the year ended 31 <sup>st</sup> March, 2025
<b>Current Assets</b>					
Inventories	105	64	60	71	87
Trade Receivable	28	14	45	32	37
<b>Current Liabilities</b>					
Trade Payables	150	39	22	17	13

Note: As certified by M/s. B.B Gusani & Co., Chartered Accountants, by way of their certificate dated July 11, 2024.

#### Assumption for working capital requirements

The table below contains the details of the holding levels and justifications for holding period levels on the basis of audited standalone financial statements of our Company and the assumptions based on which the working plan projects has been made and approved by our Board of Directors is as under:

#### Key assumptions for working capital projections made by our Company:

Sr. No.	Particulars	Assumptions
<b>Current Assets</b>		
1	Inventories	In order to achieve cost competitiveness and shorter lead times through constant innovation, we need to maintain efficient inventory levels. The historical holding days of inventories has been in range of 60 days to 105 days during Fiscal 2022 to 2024. With the perspective to increase business operations, the Company estimates inventories holding days to be around 87 days (About 3 months) in Fiscal 2025 to ensure adequate availability due to addition of capacity and our expected organic growth.
2	Trade receivables	The historical holding days of trade receivables has been ranging from 14 days to 45 days during Fiscal 2022 to Fiscal 2024. As per the current credit terms and prevalent trend of the industry & in order to expand company's operations, the holding level for debtors is anticipated at 37 days of total revenue from operations during Fiscal 2025. The projected increase in trade receivables days is a strategic decision aimed at fostering higher sales growth. We intend to provide our customers with extended credit periods, allowing them more time to settle their invoices. By offering this flexibility, we expect to stimulate increased sales volume and foster stronger customer relationships.
3	Other current assets including Short term loans and advances	The key items under this head are prepaid expenses, advance to suppliers, balance with government authorities etc. However, going forward, we do not foresee any major change.
<b>Current Liabilities</b>		
4	Trade payables	Past trend of trade payable holding days has been in the range of 17 days to 150 days approximately during Fiscal 2022 to Fiscal 2024. However, with additional working capital funding, our Company intends to reduce trade payable to 13 days during Fiscal 2025 to avail cash discount as well as competitive purchase price to increase overall profitability of our Company. By reducing the time it takes to settle our payables, we aim to negotiate more favourable terms and conditions with our suppliers, enabling us to access competitive pricing for the goods we procure.
5	Other current liabilities	Other current liabilities include provisions, statutory dues, expenses payable, etc. However, going forward, we do not foresee any major change.

To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned object of the Issue, as per the estimated schedule of utilisation specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the aforementioned object, in accordance with applicable law.

### 3. General Corporate Purposes

The Net proceeds will first be utilized for the Objects as set out above. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds towards our general corporate purposes, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the gross proceeds from the Fresh Issue, in compliance with the SEBI ICDR Regulations.



Such general corporate purposes may include, but are not restricted to, the following:

- Funding growth opportunities;
- Servicing our repayment obligations (principal and interest) under our future financing arrangements
- Meeting any expense of the company, including salaries and wages, administration, insurance, repairs and maintenance, payment of taxes and duties;
- Meeting expenses incurred in the ordinary course of business and towards any exigencies;
- Strategic initiatives;
- Strengthening marketing capabilities and brand building exercises;
- Funding working capital requirements of our company and subsidiaries; and/or
- Any other purpose as may be approved by the board or a duly appointed committee from time to time, subject to compliance with the companies act.

The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time.

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] lakhs towards general corporate purposes, subject to such amount not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise Net Proceeds include, but are not restricted to, strategic initiatives, funding growth opportunities, strengthening marketing capabilities, acquisitions, meeting ongoing general corporate exigencies and contingencies; meeting our business requirements, expenses incurred in ordinary course of business, payment of commission and/or fees to consultants, acquisition of fixed assets, business development initiatives, employee welfare activities, other expenses including salaries and wages, administration, insurance, repairs and maintenance, payment of taxes and duties and any other purpose, as may be approved by the Board or a duly constituted committee thereof, subject to compliance with applicable law, including provisions of the Companies Act.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company and other relevant considerations, from time to time. Our Company's management, in accordance with the policies of our Board, shall have flexibility in utilizing surplus amounts which will be done in compliance with the applicable laws. In addition to the above, our Company may utilize the balance Net Proceeds towards any other expenditure considered expedient and as approved periodically by our Board or a duly appointed committee thereof, in compliance with applicable law. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds which will be done in compliance with the applicable laws. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals in compliance with applicable laws.

#### **4. Offer Related Expenses**

The total expenses of the Offer are estimated to be approximately ₹ [●] lakhs.

The expenses of this Offer include, among others, listing fees, selling commission and brokerage, fees payable to the LMs, fees payable to legal counsel, fees payable to the Registrar to the Offer, Escrow Collection Bank(s) and Sponsor Bank to the Offer, processing fee to the SCSBs for processing application forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising, marketing expenses and various certification/consulting fees to various legal consultants and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Except for (i) listing fees and stamp duty payable on issue of Equity Shares pursuant to Fresh Issue which shall be borne solely by the Company and (ii) the stamp duty payable on transfer of Offered Shares which shall be borne solely by the respective Selling Shareholder, all Offer expenses will be shared, between our Company and Selling Shareholder on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Offered Shares sold by the Selling Shareholder in the Offer for Sale, respectively. Except the listing fees and stamp duty payable on issue of Equity Shares pursuant to Fresh Issue which shall be borne solely by the Company, any expenses paid by our Company on behalf of the Selling Shareholder in the first instance will be reimbursed to our Company, by the Selling Shareholder to the extent of its respective proportion of Offer related expenses, directly from the Public Offer Account.



The estimated Offer expenses are as follows:

Expenses	Expenses (Rs. in Lakhs)*	Expenses (% of total Offer expenses)	Expenses (% of Gross Offer Proceeds)
Lead manager(s) fees including underwriting commission	[●]	[●]	[●]
Brokerage, selling commission and upload fees	[●]	[●]	[●]
Registrars to the issue	[●]	[●]	[●]
Legal Advisors	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of issue stationary	[●]	[●]	[●]
[●]	[●]	[●]	[●]
<b>Total estimated Offer related expenses</b>			

\*Amounts will be finalised and incorporated in the Prospectus on determination of Offer Price.

Issue expenses will be finalized on determination of Issue Price and incorporated at the time of filing of the Prospectus. Issue expenses are estimates and are subject to change.

1. Amounts will be finalised and incorporated in the Prospectus on determination of Issue Price. Issue expenses include applicable taxes, where applicable. Issue expenses are estimates and are subject to change.
2. Selling commission payable to the SCSBs on the portion for Retail Individual Bidders. Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows

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

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

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

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

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

4. The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism would be as follows:

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

	<i>performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.</i>
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*\*For each valid application by respective Sponsor Bank*

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

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

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

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

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

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

*\* Based on valid applications*

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

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

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

*All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement. Further, the processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.*

#### **4. Interim Use of Net Proceeds**

The Net Proceeds shall be retained in the Public Offer Account until receipt of the listing and trading approvals from the Stock Exchanges by our Company. Pending utilization of the Net Proceeds for the purposes described above, our Company undertakes to deposit the Net Proceeds only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as may be approved by our Board.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets. Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds in compliance with applicable laws.

Additionally, in compliance with Regulation 66 of the SEBI ICDR Regulations, our Company confirms that it shall not use the Net Proceeds for financing or for providing loans to or for acquiring shares of any person who is part of the Promoter Group or Group Companies.

## **5. Bridge Loan**

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

## **6. Monitoring of Utilization of Funds**

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

## **7. Variation in Objects**

In accordance with Sections 13(8) and 27 of the Companies Act 2013, our Company shall not vary the Objects unless our Company is utilized to do so by way of a special resolution passed in a general meeting of its Shareholders or through postal ballot and such variation will be in accordance with the applicable laws including the Companies Act, 2013 and the SEBI ICDR Regulations. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution, shall specify the prescribed details and be published in accordance with the Companies Act, 2013. The Promoter or controlling Shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the Objects, subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations and other applicable law.

## **8. Appraising Agency**

None of the Objects for which the Net Proceeds will be utilized, require appraisal from, or have been appraised by, any bank/ financial institution/ any other agency, in accordance with applicable law.

## **9. Other Confirmations**

Except to the extent of the proceeds received by the Selling Shareholder pursuant to Offer for Sale portion, no part of the Net Proceeds will be utilised by our Company as consideration to our Promoter, members of the Promoter Group, Directors, Group Companies, Key Management Personnel or Senior Management. Our Company has not entered into nor is planning to enter into any arrangement/agreements with Promoter, members of the Promoter Group, Directors, Group Companies, Key Management Personnel or Senior Management in relation to the utilisation of the Net Proceeds. Further, there is no existing or anticipated interest of such individuals and entities in the Objects, as set out above.

## **BASIS FOR OFFER PRICE**

The Issue Price has been determined by our Company in consultation with the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is Rs.10/- and Issue Price is Rs. [●]/- per Equity Shares and is [●] times of the face value. Investors should read the following basis with the sections titled “Risk Factors” and “Financial Information” and the chapter titled “Our Business” beginning on Page No.29, 153 and 100 respectively, of this Draft Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of Our Company could decline due to these risk factors and you may lose all or part of your investments.

### **Qualitative Factors**

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

- Strategically located manufacturing facilities;
- Stringent quality control mechanism ensuring standardized product quality;
- Experienced Management team;
- High standard of product quality and customer service
- In-house R&D, tool room and continuous new product development
- Offering a variety of products to meet the needs of different customers.

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please refer chapter titled “Our Business” beginning on Page No. 100 of this Draft Prospectus.

### **Quantitative Factors**

The information presented in this section for the audited financial statements of the Company for the financial year ended March 31, 2024, March 31, 2023 and 2022 prepared in accordance with Ind AS, the Companies Act and Restated in accordance with SEBIICDR Regulations. For more details on financial information, investors please refer the chapter titled “Restated Financial Statements” beginning on Page No. 153 of this Draft Prospectus.

Investors should evaluate our Company taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the price are as follows:

#### **1) Basic and Diluted Earnings / Loss Per Share (“EPS”), as adjusted for changes in capital**

	Basic & Diluted	
	EPS (in Rs.)	Weights
March 31, 2024	32.27	3
March 31, 2023	4.67	2
March 31, 2022	5.07	1
<b>Weighted Average</b>	<b>18.54</b>	

#### **Notes:**

- a. Basic EPS has been calculated as per the following formula:

$$\text{Basic EPS (₹)} = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Weighted average number of Equity Shares outstanding during the year/period}}$$

- b. Diluted EPS has been calculated as per the following formula:

$$\text{Diluted EPS (₹)} = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Diluted Weighted average number of Equity Shares outstanding during the year/period}}$$

- c. Basic and Diluted EPS calculations are in accordance with Accounting Standard 20 “Earnings per Share”, notified under section 133 of Companies Act, 2013 read together along with paragraph 7 of Companies (Accounting) Rules, 2014.
- d. The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Financial Statements as appearing in the section titled “Financial Information” beginning on Page No. 153 of Draft Prospectus.

2) **Price Earnings Ratio (“P/E”) in relation to the Price of Rs. [●]/- per share of Rs. 10/- each**

Particulars	P/E*
P/E ratio based on Basic and Diluted EPS as at March 31, 2024	[●]
P/E ratio based on Weighted Average EPS	[●]

\*The same shall be updated once IPO Price is finalised and updated in the Draft Prospectus prior to opening of the Offer.

3) **Industry Price / Earning (P/E) Ratio**

Particulars	Industry P/E
Highest	26.43
Lowest	25.22
Average	25.83

**Note:**

The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.

4) **Return on Net worth (RONW)**

Period / Year ended	RoNW (%)	Weight
March 31, 2024	109.92%	3
March 31, 2023	10.47%	2
March 31, 2022	30.60%	1
<b>Weighted Average</b>	<b>63.55%</b>	

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

$$\text{RONW} = \frac{\text{Net profit/loss after tax, as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$$

5) **Net Asset Value Per Share (NAV)**

Financial Year	NAV (in Rs.)
NAV as at March 31, 2024	29.36
NAV after Issue – at Issue Price	[●]
Issue Price (in Rs.)	[●]

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

$$\text{NAV} = \frac{\text{Net worth excluding preference share capital and revaluation reserve}}{\text{Outstanding number of Equity shares at the end of the year}}$$

6) **Comparison with Industry Peers**

Name of the Company	CMP	Face Value (In Rs.)	EPS (In Rs.)	P/E Ratio	RONW (%)	NAV (In Rs.)	Total Revenue (Rs. In Lakhs.)
Narmadesh Brass Industries Limited*	[●]	10	32.27	[●]	109.92%	29.36	7,906.11
<b>Industry Peers**</b>							
Poojawestern Metaliks Limited	43.38	10	1.72	25.22	9.05%	12.85	6,207.34
Siyaram Recycling Industries Limited	105.75	10	4.00	26.43	16.98%	40.82	41,425.13

Source:

\*Narmadesh Brass Industries Limited financial data are based on March 31, 2024.

\*\*Source – All the financial information for listed industry peers mentioned above is sourced from the Financial Results of the aforesaid companies for the year ended March 31, 2024 to compute the corresponding financial ratios. For CMP and P/E data taken and calculated from stock exchanges as on July 11, 2024 for peers.

## 7) Key Performance Indicators:

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated July 11, 2024 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 Prospectus. Further, the KPIs herein have been certified by B B Gusani & Associates, Chartered Accountants, by their certificate dated July 11, 2024, vide UDIN 24120710BJZWDZ4355.

The KPIs of our Company have been disclosed in the sections titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 100 and 210, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” on page 6.

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 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.

### **Financial KPIs of our Company**

(Rs. In Lakhs)

Key Financial Performance	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from Operations <sup>(1)</sup>	7,888.45	5,996.18	4,426.86
Total Income <sup>(2)</sup>	7,906.11	6,009.21	4,445.06
EBITDA <sup>(3)</sup>	1,106.81	210.68	196.78
EBITDA Margin (%) <sup>(4)</sup>	14.03%	3.52%	4.45%
PAT <sup>(4)</sup>	645.41	93.37	101.50
PAT Margin (%)	8.18%	1.54%	2.29%
Net Debt <sup>(7)</sup>	2,395.15	591.94	477.14
Total Equity <sup>(8)</sup>	587.19	885.67	331.71
ROE (%) <sup>(9)</sup>	109.92%	10.47%	30.60%
ROCE (%) <sup>(10)</sup>	31.90%	11.09%	19.30%
EPS (Basic & Diluted) <sup>(11)</sup>	32.27	4.64	5.07
Current Ratio	0.92	1.17	0.93

- Revenue from operations is the revenue generated by us and is comprised of the sale of products and other operating income, as set out in the Restated Financial Statements. For further details, see “Restated Financial Statements – Notes forming part of the Restated Financial Statements: Revenue from operations”.
- Total income comprised of revenue from operations and other income, as set out in the Restated Financial Statements. For further details, see “Restated Financial Statements – Notes forming part of the Restated Financial Statements: Revenue from operations and : Other income”.
- EBITDA = Profit before tax + depreciation & amortization expense + Interest Expenses.
- EBITDA Margin = EBITDA/ Revenue from Operations.
- PAT = Profit before tax – current tax – deferred tax.
- PAT Margin = PAT/ Total Income.
- Net debt = Non - current borrowing + current borrowing - Cash and cash equivalent, Bank balance, and Investment in Mutual Funds.
- Total Equity = Equity share capital + Other equity.
- ROE = Net profit after tax /Total equity.
- ROCE = Profit before tax and finance cost / Capital employed\* \*Capital employed = Total Equity +Non - current borrowing + Current Borrowing + Deferred Tax Liabilities – Intangible Assets.
- EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period.

**Explanation for KPI metrics**

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

**Operational KPIs**

Sr. No.	Particulars*	Fiscal 2024	Fiscal 2023	Fiscal 2022
1	Total production (MT)	1,421.45	1,139.14	864.15
2	Power and fuel cost/ MT. (Rs)	9,234.46	9,625.57	8,746.36
3	Labours per /MT	12664.84	13,773.16	17,556.99

\*Certified by Chartered engineer, Babulal A. Ughreja Reg. no. 115758/7, Patcon consultancy project consultant.

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

**Financial KPIs of our peer group Companies****Poojawestern Metaliks Limited**

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Share Capital	1,014.20	1,014.20	1,014.20
Net worth	1302.77	1,229.70	1,121.34
Total Revenue	6207.34	3,176.55	2,105.41
Profit after Tax	174.50	106.40	77.14
Earnings per share (Basic & diluted) (₹)	1.72	1.05	0.76
Net Asset Value per Equity Share (₹) *	12.84	12.10	11.05
Total borrowings	1924.62	1,417.81	1,259.84

**Sivaram Recycling Industries Limited**

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Share Capital	1879.75	1,380.55	1,380.55
Net worth	7672.91	4,642.12	3,876.71
Total Revenue	41425.13	49,287.35	42,644.34
Profit after Tax	752.23	716.54	322.47
Earnings per share (Basic & diluted) (₹)	4.00	5.19	2.34
Net Asset Value per Equity Share (₹) *	40.81	33.50	28.08
Total borrowings	5932.92	6706.95	2821.02

Note: (1) Source: All the financial information for listed industry peers mentioned above is sourced from the regulatory filings made by aforesaid companies to stock exchanges for the respective years / period to compute the corresponding financial ratios.



## 8) Weighted average cost of acquisition

- a. The price per share based on the primary/ new issue during of shares (equity / convertible securities) is Nil based on issuance of Equity Shares during last 18 months where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

Date of Allotment/ Transfer	No. of Equity Shares Allotted	FV (Rs.)	Issue Price/ Transfer Price/ Acquisition Price (Rs.)	Consideration (Cash, Bonus, Consideration other than cash)	Nature of Consideration/ Allotment/ Acquired/ Transfer
October 30, 2023	20,00,000	10	10	Subscription to Memorandum of Association pursuant to conversion of partnership firm	Cash
<b>Weighted Average cost of acquisition</b>					<b>10</b>

- b. The price per share of our Company based on the secondary sale / acquisition of shares (equity shares)

There have been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

- c. Since there are no such transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to irrespective of the size of transactions, is as below:

**Primary Transactions:** there have been no primary transactions in the last three years preceding the date of this Draft Prospectus:

**Secondary Transactions:** There have been no secondary transactions by the Promoters, members of the Promoter Group or shareholder(s) having the right to nominate director(s) in the Board of Directors of our Company are a party to the transaction, in the last three years preceding the date of this Draft Prospectus:

- d. Weighted average cost of acquisition, Offer Price

Types of transactions	Weighted average cost of acquisition (Rs. per Equity Shares)	Issue Price (i.e. Rs. [●])
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	10	[●]
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	NA	NA
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above	NA	NA

The Company in consultation with the Lead Manager believes that the Offer price of Rs. [●] per share for the Public Issue is justified in view of the 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 Financial Statements included in this Draft Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is Rs. 10/- per share and the Offer Price is [●] times of the face value i.e. Rs. [●] per share.



## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,  
The Board of Directors,  
Narmadesh Brass Industries Limited  
Plot No. 5, 8 & 9, SN 433,  
Shree Ganesh Industrial hub,  
Changa, Jamnagar, Gujarat, India, 36101

Dear Sir,

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

We refer to proposed issue of the shares **Narmadesh Brass Industries Limited** ('the Company') states the special tax benefits available to the Company and the shareholders of the Company under the Income-Tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act") presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that; this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of Equity shares ("the Issue") by the Company.

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

- the Company or its shareholders will continue to obtain these benefits in future;
- the conditions prescribed for availing the benefits, where applicable have been/would be met;
- the revenue authorities/courts will concur with the views expressed herein.

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

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein.

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Prospectus/ Prospectus or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For B B Gusani & Associates,  
Chartered Accountants  
Firm Registration No.: 140785W**

**Bhargav B. Gusani  
Proprietor  
Membership No.: 120710  
UDIN: 24120710BJZWEB9090  
Place: Jamnagar  
Dt. 10.07.2024**

## **ANNEXURE**

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

Outlined below are the special tax benefits available to **Narmadesh Brass Industries Limited** (the “Company”) and its Shareholders under the Income Tax Act, 1961 (the “Act”) as amended by the Finance Act, 2023 read with relevant rules, circular and notifications issued from time to time, applicable for the Financial Year 2023-24 relevant to the Assessment Year 2024-25, presently in force in India

**A. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have different interpretation on the benefits, which an investor can avail. **SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE ACT)****

**a. Special tax benefits available to the Company**

Section 115BAA of the Act, as inserted vide the Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a corporate tax rate of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified incentives/deductions or set-off of losses, depreciation etc. and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax (“MAT”) would not be applicable and unutilized MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year. The Company may claim such beneficial tax rate in future years subject to giving away any other income-tax benefits under the Act (other than the deduction available under section 80JJAA and 80M of the Act) and fulfilling the then prevailing provisions under the Act.

Subject to the fulfilment of prescribed conditions, the Company is entitled to claim deduction under section 80JJAA of the Act with respect to an amount equal to 30% of additional employee cost (relating to specified category of employees) incurred in the course of business, for three assessment years including the assessment year relevant in which such employment is provided. Further, where the Company wishes to claim such possible tax benefit, it shall obtain necessary certification from Chartered Accountant on fulfilment of the conditions under the extant provisions of the Act.

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

The Shareholders of the Company are not entitled to any special tax benefits under the Act, However, such shareholders shall be liable to concessional tax rates on certain incomes under the extant provisions of the Act.

- Section 112A of the Act provides for concessional rate of tax on long term capital gain arising on transfer of equity shares with effect from April 1, 2019 (i.e., Assessment Year 2019-20) subject to conditions. Any long term capital gain, exceeding INR 1,00,000 arising from the transfer of a long term capital asset (i.e., capital asset held for the period of 12 months or more) being an Equity Share in a company wherein Securities Transaction Tax (“STT”) is paid on both acquisition and transfer, income tax is charged at a rate of 10% without giving effect to indexation.
- Section 111A of the Act provides for concessional rate of tax @ 15% in respect of short-term capital gains (provided the short-term capital gains exceed the basic threshold limit of income exemption, where applicable) arising from the transfer of a short-term capital asset (i.e., capital asset held for the period of less than 12 months) being an Equity Share in a company or wherein STT is paid on both acquisition and transfer.

In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident shareholder has fiscal domicile.

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

The company is engaged in manufacturing of agricultural sprayer parts, garden fittings, ball valves, non-return valves (NRVs), turning components, brass pipe and plumbing fittings, sanitary fittings, brass compression fittings, extruded

brass rods, lead-free brass fittings, and specialty forged items. We also handle casting, forging, and scrap selling related to brass components.

**A. Special tax benefits available to the Company**

There are no special tax benefits available to the company under the indirect taxes.

**B. Special tax benefits available to the shareholders of the Company**

There are no special tax benefits available to the shareholders under the indirect taxes.

**Note:**

- The above statement of Direct Tax Benefits sets out the special tax benefits available to the Company and its shareholders under the current tax laws presently in force in India. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil
- The above statement covers only above-mentioned tax laws benefits and does not cover any indirect tax law benefits or benefit under any other law.
- This statement does not discuss any tax consequences in the country outside India of an investment in the shares. The shareholders /investors in the country outside India are advised to consult their own professional advisors regarding possible income-tax consequences that apply to them
- Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

## **SECTION V – ABOUT THE COMPANY**

### **INDUSTRY OVERVIEW**

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications, publicly available documents and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page nos. 29 and 153 of this Draft Prospectus.*

#### **GLOBAL ECONOMIC OVERVIEW**

Global growth is projected at 3.1 percent in 2024 and 3.2 percent in 2025, with the 2024 forecast 0.2 percentage point higher than that in the October 2023 World Economic Outlook (WEO) on account of greater-than-expected resilience in the United States and several large emerging market and developing economies, as well as fiscal support in China. The forecast for 2024–25 is, however, below the historical (2000–19) average of 3.8 percent, with elevated central bank policy rates to fight inflation, a withdrawal of fiscal support amid high debt weighing on economic activity, and low underlying productivity growth. Inflation is falling faster than expected in most regions, in the midst of unwinding supply-side issues and restrictive monetary policy. Global headline inflation is expected to fall to 5.8 percent in 2024 and to 4.4 percent in 2025, with the 2025 forecast revised down.

With disinflation and steady growth, the likelihood of a hard landing has receded, and risks to global growth are broadly balanced. On the upside, faster disinflation could lead to further easing of financial conditions. Looser fiscal policy than necessary and than assumed in the projections could imply temporarily higher growth, but at the risk of a more costly adjustment later on. Stronger structural reform momentum could bolster productivity with positive cross-border spillovers. On the downside, new commodity price spikes from geopolitical shocks—including continued attacks in the Red Sea and supply disruptions or more persistent underlying inflation could prolong tight monetary conditions. Deepening property sector woes in China or, elsewhere, a disruptive turn to tax hikes and spending cuts could also cause growth disappointments.

Policymakers’ near-term challenge is to successfully manage the final descent of inflation to target, calibrating monetary policy in response to underlying inflation dynamics and—where wage and price pressures are clearly dissipating—adjusting to a less restrictive stance. At the same time, in many cases, with inflation declining and economies better able to absorb effects of fiscal tightening, a renewed focus on fiscal consolidation to rebuild budgetary capacity to deal with future shocks, raise revenue for new spending priorities, and curb the rise of public debt is needed. Targeted and carefully sequenced structural reforms would reinforce productivity growth and debt sustainability and accelerate convergence toward higher income levels. More efficient multilateral coordination is needed for, among other things, debt resolution, to avoid debt distress and create space for necessary investments, as well as to mitigate the effects of climate change.

Global growth, estimated at 3.1 percent in 2023, is projected to remain at 3.1 percent in 2024 before rising modestly to 3.2 percent in 2025 (Table 1). Compared with that in the October 2023 WEO, the forecast for 2024 is about 0.2 percentage point higher, reflecting upgrades for China, the United States, and large emerging market and developing economies. Nevertheless, the projection for global growth in 2024 and 2025 is below the historical (2000–19) annual average of 3.8 percent, reflecting restrictive monetary policies and withdrawal of fiscal support, as well as low underlying productivity growth. Advanced economies are expected to see growth decline slightly in 2024 before rising in 2025, with a recovery in the euro area from low growth in 2023 and a moderation of growth in the United States. Emerging market and developing economies are expected to experience stable growth through 2024 and 2025, with regional differences.

World trade growth is projected at 3.3 percent in 2024 and 3.6 percent in 2025, below its historical average growth rate of 4.9 percent. Rising trade distortions and geoeconomic fragmentation are expected to continue to weigh on the level of global trade. Countries imposed about 3,200 new restrictions on trade in 2022 and about 3,000 in 2023, up from about 1,100 in 2019, according to Global Trade Alert data.

These forecasts are based on assumptions that fuel and nonfuel commodity prices will decline in 2024 and 2025 and that interest rates will decline in major economies. Annual average oil prices are projected to fall by about 2.3 percent in 2024, whereas nonfuel commodity prices are expected to fall by 0.9 percent. IMF staff projections are for policy rates to remain at current levels for the Federal Reserve, the European Central Bank, and the Bank of England until the second half of 2024, before gradually declining as inflation moves closer to targets. The Bank of Japan is projected to maintain an overall accommodative stance.

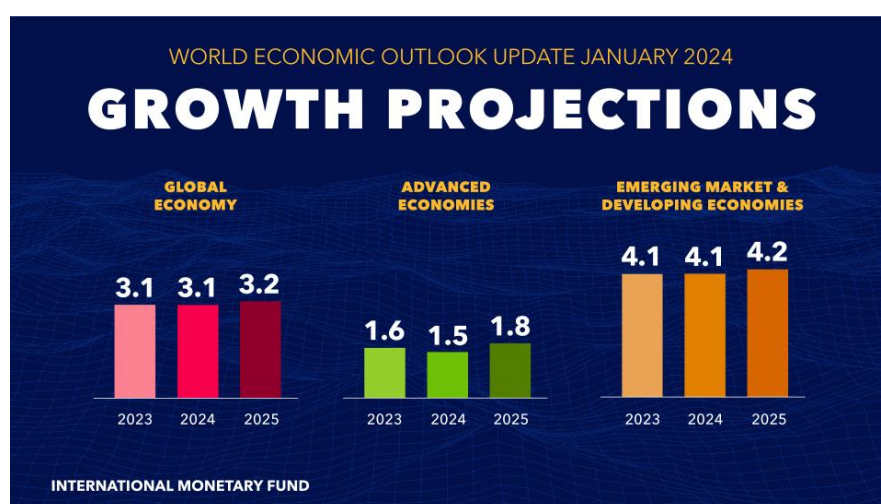
(Source: World Economic Outlook Update- January 2024, IMF)

{link : <https://www.imf.org/en/Publications/WEO/Issues/2024/01/30/world-economic-outlook-update-january-2024#:~:text=Global%20growth%20is%20projected%20at,and%20developing%20economies%2C%20as%20well%20> }

## WORLD ECONOMIC OUTLOOK UPDATE, JANUARY 2024

Table 1. Overview of the World Economic Outlook Projections  
(Percent change, unless noted otherwise)

	Year over Year						Q4 over Q4 2/		
	Estimate		Projections		Difference from October 2023		Estimate		Projections
	2022	2023	2024	2025	2024	2025	2023	2024	2025
World Output	3.5	3.1	3.1	3.2	0.2	0.0	3.1	3.1	3.1
Advanced Economies	2.6	1.6	1.5	1.8	0.1	0.0	1.6	1.6	1.7
United States	1.9	2.5	2.1	1.7	0.6	-0.1	2.9	1.5	1.9
Euro Area	3.4	0.5	0.9	1.7	-0.3	-0.1	0.2	1.5	1.6
Germany	1.8	-0.3	0.5	1.6	-0.4	-0.4	-0.1	1.1	1.9
France	2.5	0.8	1.0	1.7	-0.3	-0.1	0.6	1.4	1.8
Italy	3.7	0.7	0.7	1.1	0.0	0.1	0.2	1.3	1.0
Spain	5.8	2.4	1.5	2.1	-0.2	0.0	1.5	1.8	2.1
Japan	1.0	1.9	0.9	0.8	-0.1	0.2	1.4	1.6	0.5
United Kingdom	4.3	0.5	0.6	1.6	0.0	-0.4	0.9	0.6	1.8
Canada	3.8	1.1	1.4	2.3	-0.2	-0.1	1.1	1.9	2.2
Other Advanced Economies 3/	2.7	1.7	2.1	2.5	-0.1	0.2	1.5	2.6	2.0
Emerging Market and Developing Economies	4.1	4.1	4.1	4.2	0.1	0.1	4.3	4.3	4.1
Emerging and Developing Asia	4.5	5.4	5.2	4.8	0.4	-0.1	5.2	5.5	4.7
China	3.0	5.2	4.6	4.1	0.4	0.0	5.4	4.4	4.0
India 4/	7.2	6.7	6.5	6.5	0.2	0.2	5.0	7.8	6.7
Emerging and Developing Europe	1.2	2.7	2.8	2.5	0.6	0.0	4.1	2.0	2.9
Russia	-1.2	3.0	2.6	1.1	1.5	0.1	4.4	1.4	1.0
Latin America and the Caribbean	4.2	2.5	1.9	2.5	-0.4	0.1	2.2	1.7	2.6
Brazil	3.0	3.1	1.7	1.9	0.2	0.0	2.3	2.6	1.4
Mexico	3.9	3.4	2.7	1.5	0.6	0.0	3.4	1.9	1.4
Middle East and Central Asia	5.5	2.0	2.9	4.2	-0.5	0.3	...	...	...
Saudi Arabia	8.7	-1.1	2.7	5.5	-1.3	1.3	-4.5	2.8	5.4
Sub-Saharan Africa	4.0	3.3	3.8	4.1	-0.2	0.0	...	...	...
Nigeria	3.3	2.8	3.0	3.1	-0.1	0.0	2.7	3.3	2.9
South Africa	1.9	0.6	1.0	1.3	-0.8	-0.3	1.0	1.2	1.3
Memorandum									
World Growth Based on Market Exchange Rates	3.0	2.7	2.6	2.7	0.2	0.0	2.7	2.5	2.6
European Union	3.6	0.6	1.2	1.9	-0.3	-0.2	0.7	1.4	2.3
ASEAN-5 5/	5.5	4.2	4.7	4.4	0.2	-0.1	4.1	5.2	3.5
Middle East and North Africa	5.6	2.0	2.9	4.2	-0.5	0.3	...	...	...
Emerging Market and Middle-Income Economies	4.0	4.2	4.0	4.0	0.1	0.0	4.3	4.3	4.1
Low-Income Developing Countries	5.2	4.0	5.0	5.6	-0.1	0.0	...	...	...
World Trade Volume (goods and services) 6/	5.2	0.4	3.3	3.6	-0.2	-0.1	...	...	...
Advanced Economies	6.1	0.3	2.6	3.2	-0.4	-0.1	...	...	...
Emerging Market and Developing Economies	3.7	0.6	4.5	4.4	0.2	0.0	...	...	...
Commodity Prices									
Oil 7/	39.2	-16.0	-2.3	-4.8	-1.6	0.1	-2.8	-6.1	-4.9
Nonfuel (average based on world commodity import)	7.9	-6.1	-0.9	-0.4	1.8	-0.3	-2.0	1.5	0.2
World Consumer Prices 8/	8.7	6.8	5.8	4.4	0.0	-0.2	6.0	5.3	3.8
Advanced Economies 9/	7.3	4.6	2.6	2.0	-0.4	-0.2	3.1	2.3	2.0
Emerging Market and Developing Economies 8/	9.8	8.4	8.1	6.0	0.3	-0.2	8.4	7.7	5.2



## INDIAN ECONOMY GROWTH RATE & STATISTICS

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth -largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year

2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. During the period January-March 2024, India's exports stood at US\$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

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

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

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

### **Market Size :**

Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US\$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 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 same time period. India's current account deficit (CAD) narrowed to 1.2% of GDP in the October-December quarter. The CAD stood at US\$ 10.5 billion for the third quarter of 2023-24 compared to US\$ 11.4 billion or 1.3% of GDP in the preceding quarter. This was largely due to higher service exports.

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 Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.

### **Road Ahead :**

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

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

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



## GLOBAL BRASS INDUSTRY

The market value for Brass Rod Market was USD 13.42 Billion in 2022 and is expected to reach USD 17.81 Billion in 2032 growing at a CAGR of 3.2% during the forecast period. The increasing demand for brass rods across a range of end-use industries, including the automotive, construction, electrical, and electronics industries, is one of the primary drivers of market revenue growth. Due to their distinctive qualities, such as exceptional strength, corrosion resistance, and malleability, which make them appropriate for a variety of applications, brass rods are a popular material.

The market is also anticipated to increase steadily as a result of the manufacturing sector's growing emphasis on environmentally friendly and sustainable practises. Brass rod usage, which has a low carbon footprint and is 100% recyclable, is anticipated to increase demand in the upcoming years. Further predicted growth drivers include the rise in demand for brass rods from the plumbing sector, where they are utilised for valves and pipe fittings.

Brass rod demand has decreased as a result of supply chain interruptions caused by the COVID-19 outbreak and a general slowdown in numerous industries. The demand for brass rods is anticipated to increase as the world begins to recover from the pandemic and economies begin to stabilise.

Due to rising demand from numerous end-use industries, including plumbing, electrical and electronics, automotive, and construction, the brass rod market is predicted to expand significantly. Decorative hardware, electrical connectors, and fasteners are just a few uses for brass rods. Brass rod utilisation is anticipated to rise in the coming years as the manufacturing sector places more and more emphasis on environmentally friendly and sustainable practises. Brass rods are an environmentally friendly substitute for other materials due to their recyclable nature and minimal carbon impact.

Brass rods' attributes include: Brass rods are ideal for a variety of applications because of its outstanding strength, corrosion resistance, and malleability. These characteristics make brass rods a desirable material in many industries, which helps the market expand. The price of raw materials, especially copper and zinc, is prone to change, which can have an effect on the total cost of manufacturing in the brass rod market. This might result in less demand for brass rods, which would slow the expansion of the market. There are several competitors working in the fiercely competitive brass rod market. This could result in fierce pricing competition, which would affect business profitability. The demand for brass rods may be impacted by a number of substitutes, including Steel and aluminium. The cost of brass rods may also be impacted by the availability of less expensive alternatives.

### Government Regulations:

- The U.S. Environmental Protection Agency (EPA) has established restrictions on lead and Cadmium Content in brass rod products sold in the United States.
- The European Union's Restriction of Hazardous Substances (RoHS) Directive requires that all electrical and electronic equipment manufactured or imported into Europe meet certain requirements for hazardous substances, including lead and cadmium levels in brass rods.
- In China, manufacturers are required to test their products for compliance with national standards for lead and cadmium content.
- The United Nations' International Lead and Cadmium Management (ILCM) initiative provides guidance on the responsible management of lead and cadmium in brass rods products.
- In order to ensure product safety, the EU has established a set of essential requirements for all electrical and electronic equipment manufactured or imported into Europe, including appropriate labelling of components made with brass rods that contain lead or cadmium. These requirements are enforced through the CE mark, an international certification process.

### Type Outlook:

Based on the kind of product, the Brass Rod Market has been divided into Extruded Brass Rods, Cast Brass Rods, and Drawn Brass Rods. Extruded Brass Rods accounted for a notably large revenue share in the overall Brass Rod Market in 2021, among these.

Due to their superior machinability, resistance to corrosion, and durability, extruded brass rods are widely employed in a variety of applications. Brass rods of different lengths and forms are produced using an extrusion press as part of the manufacturing process for extruded brass rods. Extruded brass rods are used in a variety of industries, including plumbing fittings, industrial machinery, automobile parts, and electrical and electronic components. Extruded brass rods are also chosen over other types of brass rods because of their superior dimensional correctness and better strength.

During the projection period, the Cast Brass Rods segment is also anticipated to experience considerable revenue growth. The casting technique, which entails melting brass and pouring it into a mould to form the desired shape, is used to generate

cast brass rods. Due to their superior casting qualities, cast brass rods are frequently used in the production of decorative items, works of art, and sculptures. They are also employed in a number of industrial settings. Cast brass rods' rising popularity is due to its higher aesthetic value, robustness, and adaptability.

During the projection period, the Drawn Brass Rods segment is anticipated to experience moderate revenue growth. Brass rods are drawn by drawing them through a die to lengthen and lower the diameter of the rod. A consistent cross-section and a smooth surface finish are produced by this procedure. Due to their outstanding dimensional accuracy and surface smoothness, drawn brass rods are utilised in a variety of applications, including precision components, fasteners, screws, and pins. Due to their superior ductility and electrical conductivity, drawn brass rods are also chosen over other varieties of brass rods.

#### **End Use Outlook :**

The end-use industries that make up the automotive, electrical and electronic, construction, industrial machinery, and others segments of the worldwide brass rod market. The construction business was responsible for the highest revenue share of these in 2021. Due to its exceptional qualities, including high ductility, malleability, corrosion resistance, and thermal conductivity, brass rods play an important role in construction. Brass rods are employed in construction for a number of purposes, including plumbing, electrical wiring, and architectural details. Brass rods are also frequently utilised in the creation of hinges, door knobs, locks, and other hardware parts. The need for brass rods in the construction industry is anticipated to rise in response to the growing desire for environmentally friendly and energy-efficient building techniques, as well as the growing demand for dependable and long-lasting hardware components.

During the projection period, the automotive industry is anticipated to have the quickest revenue CAGR. Due to its excellent strength, thermal conductivity, and corrosion resistance, brass rods play a key role in the automobile sector. In the automotive sector, brass rods are used in a variety of processes to make electrical connectors, radiator cores, and engine parts. The demand for brass rods in the automotive industry is rising as a result of the growing need for lightweight and fuel-efficient automobiles and the increased focus on lowering carbon emissions.

Another large end-use sector for brass rods is the electrical and electronics sector. Due to their superior electrical conductivity and resistance to corrosion, brass rods are utilised in the fabrication of electrical connectors, switches, and other electrical components. The need for brass rods in the electrical and electronics industry is anticipated to rise in response to the rising demand for electronic gadgets as well as the growing desire for environmentally friendly and energy-efficient electrical systems, which will boost market revenue.

Another large end-use market for brass rods is the manufacturing of industrial machines. Due to its exceptional qualities, such as high strength and corrosion resistance, brass rods are utilised in a variety of applications, including valves, pumps, and bearings. The demand for brass rods in the industrial machinery sector is anticipated to rise as a result of the rising need for dependable and long-lasting machinery components and the increasing focus on environmentally friendly and energy-efficient manufacturing techniques.

#### **Regional Outlook :**

In the upcoming years, the market for brass rods is anticipated to increase significantly due to a number of factors present in various geographical areas. The geographical insights that follow provide us a greater knowledge of the market and the forces behind its expansion.

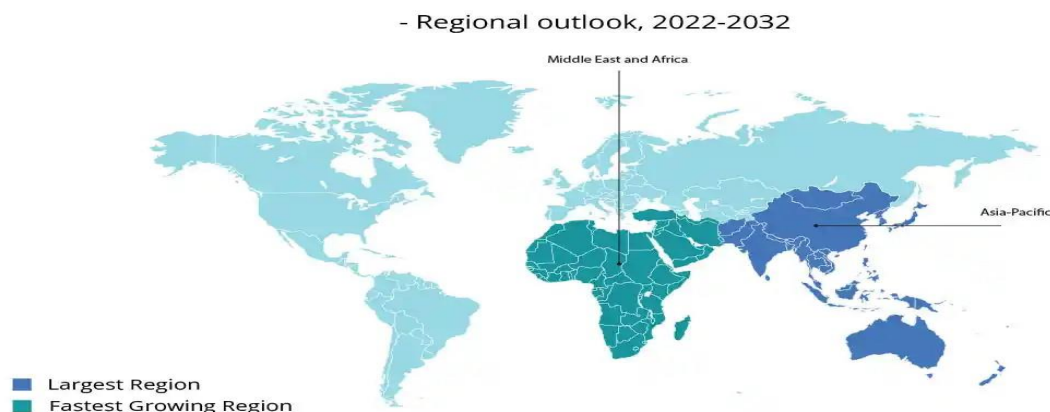
**North America :-** During the forecast period, the North American brass rod market is anticipated to post a high revenue CAGR. Brass rod demand in the region is being driven by the expanding infrastructure and construction sectors, particularly in the United States. Brass rod consumption is anticipated to increase as a result of the nation's expanding investments in infrastructure improvement and building renovation. In addition, it is anticipated that rising use of Renewable Energy sources like solar and wind power will increase demand for brass rods in the area. This is due to the widespread usage of brass rods in the creation of several parts for wind and Solar Energy system components.

**Asia Pacific :-** During the forecast period, the Asia Pacific region is anticipated to lead the brass rod market. Brass rod demand in the region is being driven by the expansion of the infrastructure and construction sectors in nations like China and India. Brass rod demand is anticipated to be driven by rising investments in infrastructure construction and building rehabilitation. Brass rod demand is also anticipated to be boosted by the expansion of the region's manufacturing and automotive sectors, as these sectors make substantial use of brass rods in the production of numerous components. Demand is also anticipated to be boosted by the availability of high-quality, reasonably priced brass rods in the area.

**Europe :-** During the forecast period, the European brass rod market is anticipated to expand at a moderate rate. The expanding automotive and construction industries in the region, particularly in nations like Germany and the UK, are what are driving up demand for brass rods. As more electric vehicles are being adopted in the area, the demand for brass rods is anticipated to increase as a result. This is because brass rods are widely utilised in the production of a variety of Electric



Vehicle components. Additionally, the growing use of sustainable building materials and the repair of existing structures are driving the need for brass rods in the construction sector.



(Source: <https://www.reportsanddata.com/report-detail/brass-rod-market>)

## INDIAN BRASS INDUSTRY

### India Brass Market Shipment Analysis :

India Brass Market registered a growth of 11.27% in value shipments in 2022 as compared to 2021 and a decrease of - 2.47% CAGR in 2022 over a period of 2017. In Brass Market India is becoming less competitive as HHI index in 2022 was 2145 while in 2017 it was 1405. Herfindahl Index measures the competitiveness of exporting countries. The range lies from 0 to 10000, where a lower index number represents a larger number of players or exporting countries in the market while a large index number means less numbers of players or countries exporting in the market. India has reportedly relied more on domestic production to meet its growing demand in Brass Market.

For India Exporters of Brass, USA seems to be the most attractive market (in 2028) in terms of export potential followed by China, Thailand, Italy and Vietnam. However, in terms of total import demand across all countries, China occupies the top position. Hence considering overall import demand, China leads the importing demand but considering India as a partner, USA provide high unmet demand potential as Compared to others for 2028.

The brass market in India is a niche sector known for its aesthetic and functional applications. Brass, a copper-zinc alloy, is used in various products, including jewellery, decorative items, plumbing fixtures, and musical instruments. India has a rich tradition of brass craftsmanship, and the market continues to flourish, serving both domestic and international demands.

### Drivers of the Market :

The brass market in India is driven by its diverse applications in manufacturing, construction, and handicrafts. The versatility, durability, and aesthetic appeal of brass products contribute to market growth. The revival of traditional crafts and the export of brass items also play a role in driving this market.

### Challenges of the Market :

In the India Brass Market, challenges revolve around the sourcing of raw materials and quality control. Brass production relies on copper and zinc, and fluctuations in their prices can impact manufacturing costs. Quality control is critical as the demand for high-quality brass products in industries like plumbing and electrical components is increasing. Ensuring consistent quality while managing costs can be a significant challenge for this market.

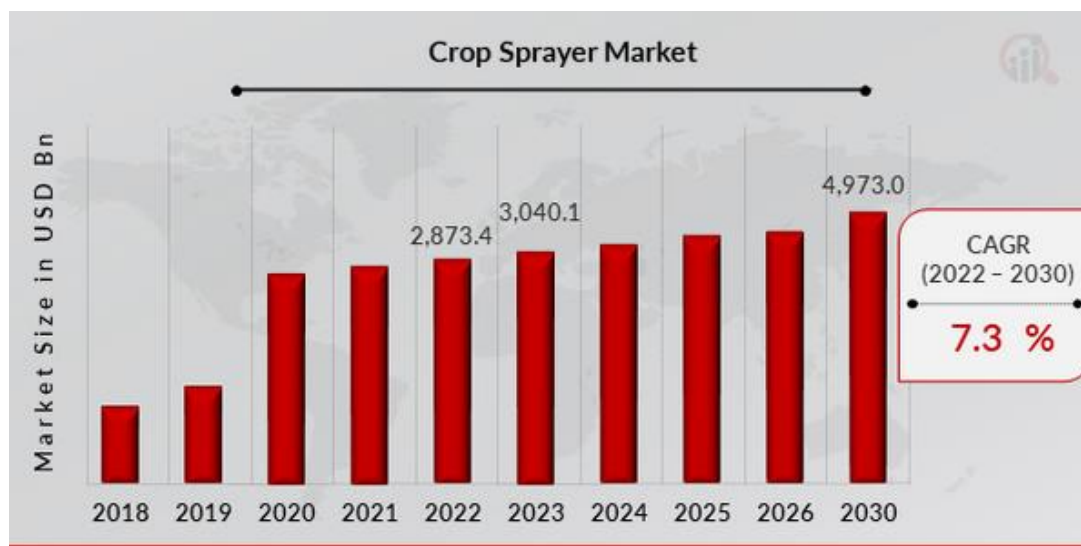
(Source: <https://www.6wresearch.com/industry-report/india-brass-market-outlook> )

## AGRICULTURAL SPRAYERS MARKET :

The crop sprayer market is projected to grow from USD 3,040.1 Billion in 2023 to USD 4,973.0 billion by 2030, exhibiting a compound annual growth rate (CAGR) of 7.3% during the forecast period (2024 - 2030). crop sprayer market Size was valued at USD 2,873.4 billion in 2022.

Agriculture sprayers are farming equipment used by farmers for quick, efficient application of liquid substances, convenient like fertilizers, herbicides and pesticides, containing acids or acidic materials for plants or soil to develop the crop performance and control pests. They are also utilized to protect the water, weed killers, crop performance materials, pest maintenance chemicals and manufacturing and production of the line ingredients. They are currently available in various sizes and types, ranging from portable sprayers with spray guns to advanced atomizers or self-propelled units and trailed or mounted sprayers connected to a tractor.

Pesticides play a significant role in maintaining crop health and enhancing farm productivity across the agricultural sector. With the growing global population and declining arable land, the focus has presently shifted towards using modern agricultural approaches like agricultural sprayers for improving crop productivity. However, rising food security concerns and governing agencies of numerous countries undertake several initiatives to promote the contemporary farming practices that contribute to the market growth. However, the escalating need for spraying livestock to kill ticks is in confluence with the increasing awareness among the individuals about food safety, which is creating a positive influence on the market.



(Source: <https://www.marketresearchfuture.com/reports/crop-sprayer-market-2867>)

Farming equipment is essential for increasing crop productivity and minimizing labor costs. Agricultural sprayers have become essential for farmers or producers to spray fertilizers, herbicides, and pesticides as required during harvest. Farmers could apply chemicals more effectively owing to technological advancements. Therefore, change in farming techniques and technological acceptance, the market for agricultural sprayers has gained traction.

Furthermore, the increasing importance of farm efficiency and productivity, increasing cereal and grain production in global countries, and government support for innovative agricultural methods are some of the key drivers driving the agricultural sprayers market expansion. For instance, the Spanish government has made it easier for farmers to acquire loans from banks in order to purchase agricultural equipment and forestry machinery, which is one of the major reasons for the high adoption rate of sprayers during the forecast period and also with the enforcement of the new European Union Framework Directive on the Sustainable use of Pesticides, it is anticipated to enhance the value of the field crop and air-assisted sprayers market.

GPS and robotic system sprayers are more popular in large agricultural land holdings, gardens, and orchard crops. Advanced spraying machinery uses this technology, wherein automated machines can apply pesticides and nutrients in a more targeted and timely manner. This technological development has resulted in making farming activities more efficient and eco-friendlier. However, most farmworkers are unaware of the dosage limits and pesticide risks, and they require proper training in integrated pest management practices. Hence, the recent advancements in sprayer technology have reinforced the demand for agricultural sprayers in recent years and will have a long-term impact on the market.

#### **Agricultural Sprayers Market Trends :**

This section covers the major market trends shaping the Agricultural Sprayers Market according to our research experts:

##### **Technological Developments in Spraying Equipment :**

Globally, Various technologies, such as drones and driverless sprayers, are providing important and attractive opportunities for the growth of the agriculture sprayers market. A drone uses the latest technologies of various tiny sensors, such as accelerometers, GPS modules, powerful processors, and digital radios to provide farmers with information. The use of

drones helps farmers in scouting for pests and diseases and in mid-field weed identification. Positioning technologies, such as combining GPS (global positioning system) and GIS (geographic information systems), have made yield mapping very easy and helped farmers work in the field even under adverse weather conditions, such as rain, fog, and dust. There are companies that have highly indulged in constantly upgrading their technology in order to meet the growing technology demand. For instance, companies like ASPEE and GUSS are involved in making an investment heavily in R&D to launch more advanced sprayers.

Self-propelled sprayers are gaining traction in recent times. With the help of self-propelled sprayers, large areas of the field can be covered efficiently, and there is a high demand for self-propelled sprayers equipped with high-tech tools to optimize and streamline the application and have precise control over quantities of applied product, ensuring increased output. According to a report from the Agricultural Technology National Institute (INTA), 85% of the chemicals in the country are applied by self-propelled sprayers, and 65% of them are owned by contractors.

Increase in the crop acreage and increase in the developments of spraying technology and penetration rate the demand for sprayers is increasing in the country during the forecast period.

(Source: <https://www.mordorintelligence.com/industry-reports/agriculture-sprayers-market>)

## **OUR BUSINESS**

*To obtain a complete understanding of our Company and its business, prospective investors should read this section in conjunction with “Risk Factors”, “Industry Overview”, and “Management’s Discussions and Analysis of Financial Condition and Results of Operations” on pages 29, 92 and 210 respectively as well as the financial, statistical and other information contained in this Draft Prospectus. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. In this section, a reference to the “Company” or “we”, “us” or “our” means Narmadesh Brass Industries Limited.*

*Our fiscal year ends on March 31 of each year, so all references to a particular “fiscal year”, “Fiscal” and “Fiscal Year” are to the 12-months period ended March 31 of that fiscal year.*

*All financial information included herein is based on our “Financial information” included on page 153 of this Draft Prospectus.*

### **OVERVIEW :**

The business of the Company can be traced through its origin of “M/s. Narmada Brass industries” formed vide a partnership deed dated August 29, 2019, with an intent to carry on the business of Manufacturing, Wholesale & Trading, Importing, Exporting of all types of Brass Parts. In the financial year 2019, our promoters, Mr. Hitesh Pragajibhai Dudhagara and Ms. Ronak Hitesh Dudhagara, along with partner Mr. Ghanshayamlal Badrilal Somani, were admitted vide deed of Admission dated August 08, 2019. Admits until 2019 until September 01, 2023, various partners had been admitted and retired, thereafter, through supplemental partnership deed dated September 01, 2023, M/s. Narmada Brass industries was thereafter survived with the following partners, namely being, Sprayking Agro Equipment Ltd, Mr. Hitesh Pragajibhai Dudhagara, Ms. Ronak Hitesh Dudhagara, Mr. Shashank Doshi, Mr. Pragajibhai Dudhagara, Mrs. Parvatiben Dudhagara and Mr. Krish Dudhagara.

Further the Partnership Firm “M/s. Narmada Brass industries” was converted into Public Limited Company “Narmadesh Brass industries Limited” pursuant to Part I of chapter XXI of the Companies Act, 2013 vide Certificate of Incorporation dated October 30, 2023 bearing registration No. 145839 issued by Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U24209GJ2023PLC145839.

We manufacture and sell a variety of products in the Indian market and for export, including agricultural sprayer parts, garden fittings, ball valves, non-return valves (NRVs), brass billets and copper ingots, turning components, brass pipe and plumbing fittings, sanitary fittings, brass compression fittings, extruded brass rods, lead-free brass fittings, and specialty forged items. We also handle casting, forging, and scrap selling related to brass components.

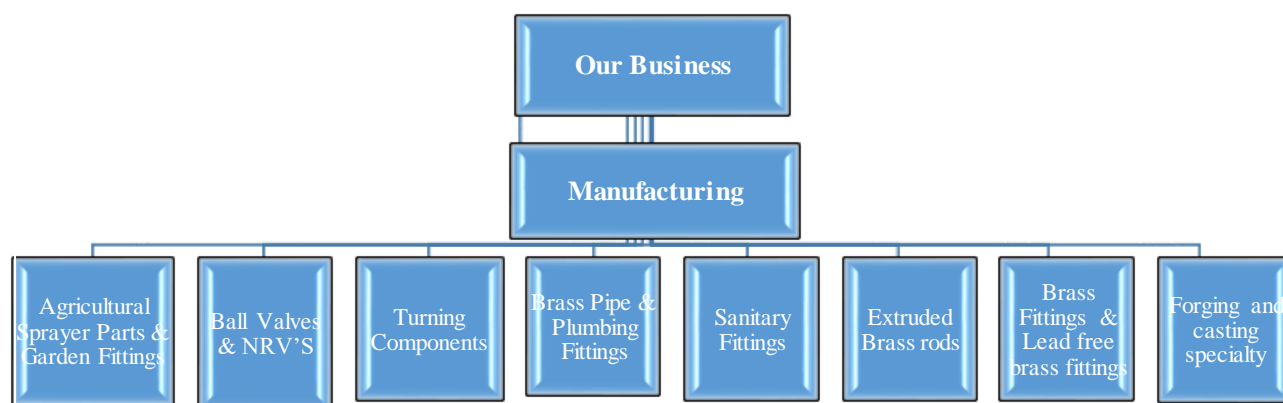
In casting, we pour liquid material into a mould to create complex shapes that solidify into the desired form. We offer customized products and ensure high quality through strict internal controls. Our manufacturing unit is in Jamnagar. Additionally, we source specific customer requirements from our suppliers and assemble the final products for delivery.

The sale of various brass components such as brass billets, rods, fitting parts, sanitary parts, agricultural parts, valve parts, and electrical parts can be categorized under the broader categories are as follows:

<b>Broader Category</b>	<b>Specific Sales Item</b>
Agricultural Sprayer Parts	Sale of in house manufactured Brass Agricultural Parts
Garden Fittings	Sale of in house manufactured Brass Fitting Parts, Sale of Brass Sanitary Parts
Ball Valves & Non-Return Valves (NRVs)	Sale of in house manufactured Brass Valve Parts
Turning Components	Sale of in house manufactured Brass Fitting Parts
Brass Pipe and Plumbing Fittings	Sale of in house manufactured Brass Pipe and Plumbing Fittings
Sanitary Fittings	Sale of in house manufactured Brass Sanitary Parts
Brass Compression Fittings	Sale of in house manufactured Brass Compression Fittings
Extruded Brass Rods	Sale of in house manufactured Brass Rods
Lead-Free Brass Fittings	Sale of in house manufactured Lead-Free Brass Fittings
Specialty Forged Items	Sale of in house manufactured Specialty Forged Items
General Brass Components & Allied Activities (casting, forging)	Sale of in house manufactured Brass Billets, Sale of Brass Rods, Sale of Brass Electrical Parts

The sales items are specific products that fit within the broader categories of agricultural sprayer parts, garden fittings, valves, turning components, and various brass fittings and forged items. Each specific sale item is part of the product portfolio that includes more general categories of brass components and related activities. Our company is involved in

manufacturing. In manufacturing, we offer agricultural sprayer parts, garden fittings, ball valves, NRVs, turning components, brass pipe and plumbing fittings, sanitary fittings, extruded brass rods, and lead-free brass fittings. On the manufacturing side, we specialize in forging and casting.



The table below lists down the contribution of various products offered by us as a percentage of the revenue from operations.

*(₹ in lakhs, except for percentages)*

Particulars	For the year ended 31st March 2024	% of Total Revenue	For the period ended 29st October 2023	% of Total Revenue	For the year ended 31st March 2023	% of Total Revenue	For the year ended 31st March 2022	% of Total Revenue
<b>Sale of Goods</b>								
Sales of Brass Billets	953.71	12.09	423.49	10.88	571.48	9.53	356.31	8.05
Sale of Brass Roads	2,600.17	32.96	1288.59	33.11	2,433.76	40.59	1,223.34	27.63
Sale of Brass Fitting Parts	312.27	3.26	270.89	6.96	876.70	14.62	779.27	17.60
Sale of Brass Sanitary Parts	11.77	0.15	7.88	0.20	13.30	0.22	21.38	0.48
Sale of Brass Agricultural Parts	357.35	4.53	205.17	5.27	390.78	6.52	527.46	11.92
Sale of Brass Valve Parts	2,465.28	31.25	946.42	24.32	943.05	15.73	1,107.00	25.01
Sale of Brass Electrical Parts	129	1.67	-	-	-	-	1.83	0.04
Other Products	393.53	4.99	321.34	8.26	405.13	6.76	125.71	2.84
<b>Export</b>								
Sales of Brass Billets	111.26	1.41	-	-	258.36	4.31	260.90	5.89
<b>Sub Total</b>	<b>7,334.34</b>	<b>92.98</b>	<b>3463.78</b>	<b>89</b>	<b>5,892.56</b>	<b>98.27</b>	<b>4,403.20</b>	<b>99.47</b>
<b>Sale of Services</b>								
Job Work Income	554.11	7.02	428.29	11	103.62	1.73	23.66	0.53
<b>Sub Total</b>	<b>554.11</b>	<b>7.02</b>	<b>428.29</b>	<b>11</b>	<b>103.62</b>	<b>1.73</b>	<b>23.66</b>	<b>0.53</b>
<b>Total</b>	<b>7,888.45</b>	<b>100.00</b>	<b>3892.07</b>	<b>100</b>	<b>5,996.18</b>	<b>100.00</b>	<b>4,426.86</b>	<b>100.00</b>

In the export market, the highest contribution to revenue was observed in the fiscal year ending March 2022 at 5.89%. Job Work Income has demonstrated significant variations over the years, with the highest contribution occurring from April 2023 to March 2024, representing 7.02% of total revenue. Sales of brass billets have displayed a discernible upward trend, experiencing a notable increase from FY 2022 to FY 2024, indicative of escalating demand and successful market penetration.

Brass rods have exhibited substantial growth, particularly from FY 2022 to FY 2024, signifying an expanding market share and broadening applications across various industries. Sales of brass valve parts have demonstrated stability and robust demand, especially in recent quarters, underscoring their significance as a focal product. Sales of other products have consistently increased, with a pronounced uptick in FY 2022 and FY 2023, reflecting the diversification and expansion of product lines.

The brass components manufactured by our Company is used in a wide range of applications across various industries. Here's an elaboration on their applications:

Industry	Application
Electrical Wiring Accessories	Brass components like connectors, terminals, and switchgear parts for excellent conductivity and corrosion resistance.
Power Distribution	Brass fittings and components ensuring reliable and efficient electrical connections for power grid integrity.
Cable Accessories	Manufacturing of cable accessories such as cable glands and connectors for secure and durable connections.
Conduit Fittings	Protecting electrical wiring systems in buildings and other structures with robust routing and securing solutions.
Energy Meters	Integral brass components in energy meters for accurate measurement and reliable performance.
Lightning Protection	Brass fittings in lightning protection systems for durability and safe dissipation of lightning strikes.
Electronics and Telecommunications	Connectors, terminals, and various precision parts in electronic devices and telecommunication equipment.
Home Appliances	Brass components in internal mechanisms of home appliances for durability and resistance to wear and tear.
Medical Equipment	Non-reactive and biocompatible brass used in medical devices and equipment for safety and reliability.
Plastic and Rubber Mouldings	Brass inserts and fittings in mouldings for threaded connections and structural reinforcement.
Water Valves and Piping	Preferred material for water valves and piping due to corrosion resistance and ability to withstand high pressures.
Sanitary and Plumbing	Durable and easy-to-install brass fittings used extensively in sanitary and plumbing applications.
Automobiles	Brass components in the automotive industry for fuel system fittings, cooling system parts, and electrical connectors.
Aerospace	Valued for strength, durability, and resistance to extreme conditions in aerospace applications.
Marine	Excellent resistance to corrosion in saltwater environments, ideal for fittings and valves on boats and ships.

These diverse applications highlight the versatility and importance of brass components in modern manufacturing and technology. Our products are tailored to meet the preferences and demands of our customers. Quality checks are conducted at various stages of production to promptly address any defects or errors.



We commenced operations in the year 2019 under our partnership firm Narmada Brass Industries, promoted by Mr. Hitesh Pragajibhai Dudhagara, Mrs. Ronak Hitesh Dudhagara and Mr. Ghanshyamlal Somani with profit sharing ratio as 2:3:5. We started our business as a manufacturing and trading concern of agricultural sprayer parts & garden fittings, ball valves & NRV'S, turning components, brass pipe & plumbing fittings, sanitary fittings, brass compression fittings, extruded brass rods, brass fittings & lead free brass fittings and forging specialty and established a channel network over the years. For further details on the journey from partnership firm to the present corporate structure, please refer section "History and Other Corporate Affairs" beginning on page 118 of this Draft Prospectus. Out of total shareholding, 60% of our Company's existing share capital is held by Sprayking Limited (formerly Sprayking Agro Equipment Limited) thus making it our holding company. Sprayking Limited was incorporated on February 17, 2005 and is engaged in the manufacturing of brass components and parts, including fittings, forging equipment, transformer parts, and other customized brass components, including specializing in copper forging products.





We are led by our Promoters, Mr. Hitesh Pragajibhai Dudhagara having more than one and half decade expertise and Mrs. Ronak Hitesh Dudhagara who has 8 (eight) years of expertise in the field of brass industry and have been directly involved in the Strategic and Financial decision making in the business. They have supervised the development of our business and are actively involved in crucial elements such as business strategy planning, order sourcing, product





marketing, team management, channel expertise and competitive analysis. Relationships between our Promoters and our suppliers, customers and other industry participants have been instrumental in implementing our growth strategies. Our Promoters are still actively involved in our operations and brings their vision, business acumen and leadership to our Company, which has been instrumental in sustaining our business operations and growth. We also have qualified and experienced Key Managerial Personnel who have demonstrated their ability to anticipate and capitalize on changing market trends, manage and grow our operations and leverage and strengthen customer relationships. For further details on our Directors, Key Management Personnel and Senior Management, see “*Our Management*” on page 128.

## OUR PRODUCT RANGE :

Particulars	Description	Key Features
<b>Ball Valves &amp; NRV's</b> 	<b>Ball Valves</b> Ball valves control the flow of liquids and gases using a spherical disc with a hole. Turning the handle rotates the ball to allow or block flow.  <b>Non-Return Valves (NRVs)</b> Non-return valves, or check valves, allow fluid to flow in one direction, preventing backflow	<b>Ball Valves</b> <ul style="list-style-type: none"> <li>• Quick Flow Control: A 90-degree handle turn adjusts flow.</li> <li>• Durable: Made from strong materials like brass or stainless steel.</li> <li>• Versatile: Suitable for various applications, including plumbing and industrial systems.</li> <li>• Low Maintenance: Simple design reduces wear and maintenance needs.</li> </ul> <b>Non-Return Valves (NRVs)</b> <ul style="list-style-type: none"> <li>• One-Way Flow: Only permits flow in one direction.</li> <li>• Simple Mechanism: Uses a flap, ball, or piston to block reverse flow.</li> <li>• Protection: Prevents damage to equipment from reverse flow.</li> <li>• Applications: Used in water supply, irrigation, and industrial systems.</li> </ul>
<b>Turning Components</b> 	<b>Turning Components</b> Turning components are precision-engineered parts produced through the process of turning, which involves rotating a workpiece while a cutting tool removes material.	<ul style="list-style-type: none"> <li>• Precision: Achieves high accuracy and tight tolerances.</li> <li>• Versatility: Suitable for a variety of materials, including metals and plastics.</li> <li>• Customization: Can be tailored to specific shapes and dimensions.</li> <li>• Applications: Widely used in automotive, aerospace, medical devices, and machinery industries</li> </ul>

Particulars	Description	Key Features
<b>Brass Pipe &amp; Plumbing Fittings</b> 	<b>Brass Pipe &amp; Plumbing Fittings</b> <p>Brass pipe and plumbing fittings are essential components used to connect, control, and direct the flow of water and other fluids in plumbing systems</p>	<ul style="list-style-type: none"> <li>• <b>Durability:</b> Brass is resistant to corrosion and high temperatures.</li> <li>• <b>Versatility:</b> Available in various shapes and sizes to fit different piping needs.</li> <li>• <b>Reliability:</b> Ensures secure and leak-free connections.</li> <li>• <b>Applications:</b> Commonly used in residential, commercial, and industrial plumbing systems for water supply, gas lines, and other fluid transport</li> </ul>
<b>Sanitary Fittings</b> 	<b>Sanitary Fittings</b> <p>Sanitary fittings are components used in plumbing systems to ensure hygienic connections and fluid flow</p>	<ul style="list-style-type: none"> <li>• <b>Hygienic Design:</b> Smooth surfaces to prevent contamination and facilitate easy cleaning.</li> <li>• <b>Durability:</b> Made from corrosion-resistant materials for long-lasting performance.</li> <li>• <b>Leak-Proof:</b> Ensures tight seals to prevent leaks and maintain sanitation.</li> <li>• <b>Applications:</b> Used in bathrooms, kitchens, and other areas requiring high sanitary standards, including residential, commercial, and industrial settings</li> </ul>
<b>Brass Compression Fittings</b> 	<b>Brass Compression Fittings</b> <p>Brass compression fittings are connectors used in plumbing and gas systems to join pipes securely without soldering</p>	<ul style="list-style-type: none"> <li>• <b>Secure Connection:</b> Creates a tight, leak-free seal through compression of the pipe.</li> <li>• <b>Durability:</b> Made from corrosion-resistant brass for longevity.</li> <li>• <b>Ease of Installation:</b> Simple to install and disassemble without special tools.</li> <li>• <b>Applications:</b> Ideal for water, gas, and oil pipelines in residential, commercial, and industrial settings</li> </ul>
<b>Extruded Brass Rods</b> 	<b>Extruded Brass Rods</b> <p>Extruded brass rods are solid cylindrical bars manufactured by the extrusion process, where heated brass billets are forced through a die to produce the desired shape</p>	<ul style="list-style-type: none"> <li>• <b>High-Quality Material:</b> Made from high-grade brass for superior strength and durability, Brass rod round, Hex, Solid, Square, Rectangle, Copper Alloys Billets and Ingots.</li> <li>• <b>Grade :</b> CZ121, CZ122, C36000, C37700, BS218, IS319 Grade-1 to 3, Lead Free, 10mm to 110mm any type of size.</li> <li>• <b>Uniformity:</b> Consistent dimensions and smooth surface finish for precision applications.</li> <li>• <b>Versatility:</b> Suitable for machining, forging, and various fabrication processes.</li> <li>• <b>Applications:</b> Widely used in construction, electrical, automotive, and engineering industries for fittings, fasteners, and decorative elements</li> </ul>



Particulars	Description	Key Features
<b>Brass Fittings &amp; Lead Free Brass Fittings</b> 	<b>Brass Fittings &amp; Lead Free Brass Fittings</b> Brass fittings and lead-free brass fittings are connectors and adapters used in plumbing and industrial applications to join pipes and components securely	<ul style="list-style-type: none"> <li>• <b>Reliability:</b> Ensures secure and leak-free connections.</li> <li>• <b>Durability:</b> Made from high-quality brass for long-lasting performance.</li> <li>• <b>Lead-Free Option:</b> Provides an environmentally friendly and safe alternative to traditional brass fittings.</li> <li>• <b>Versatility:</b> Available in various sizes and configurations to suit different plumbing needs.</li> <li>• <b>Applications:</b> Widely used in residential, commercial, and industrial plumbing systems for water supply, gas lines, and other fluid transport.</li> </ul>
<b>Forging Specialty</b> 	<b>Forging Specialty</b> Forging specialty refers to specialized products manufactured using forging processes, where metal is shaped by applying compressive forces	<ul style="list-style-type: none"> <li>• <b>Precision:</b> Achieves high dimensional accuracy and tight tolerances.</li> <li>• <b>Strength:</b> Provides superior mechanical properties and structural integrity.</li> <li>• <b>Customization:</b> Tailored to specific shapes and configurations as per requirements.</li> </ul>

The key performance indicators of our Company for the period ended March 31, 2024 and Fiscals 2023, 2022, is as follows:

(₹ in lakhs, except for percentage)

Key Financial Performance	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from Operations <sup>(1)</sup>	7,888.45	5,996.18	4,426.86
Total Income <sup>(2)</sup>	7,906.11	6,009.21	4,445.06
EBITDA <sup>(3)</sup>	1,106.81	210.68	196.78
EBITDA Margin (%) <sup>(4)</sup>	14.03%	3.52%	4.45%
PAT <sup>(4)</sup>	645.41	93.37	101.50
PAT Margin (%)	8.18%	1.54%	2.29%
Net Debt <sup>(7)</sup>	2,395.15	591.94	477.14
Total Equity <sup>(8)</sup>	587.19	885.67	331.71
ROE (%) <sup>(9)</sup>	109.92%	10.47%	30.60%
ROCE (%) <sup>(10)</sup>	31.90%	11.09%	19.30%
EPS (Basic & Diluted) <sup>(11)</sup>	32.27	4.64	5.07
Current Ratio	0.92	1.17	0.93

- (1) Revenue from operations is the revenue generated by us and is comprised of the sale of products and other operating income, as set out in the Restated Consolidated Financial Statements. For further details, see "Restated Consolidated Financial Statements – Notes forming part of the Restated Consolidated Financial Statements — Note 23: Revenue from operations".
- (2) Total income comprised of revenue from operations and other income, as set out in the Restated Consolidated Financial Statements. For further details, see "Restated Consolidated Financial Statements – Notes forming part of the Restated Consolidated Financial Statements — Note 23: Revenue from operations and Note 24: Other income".
- (3) EBITDA = Profit before tax + depreciation & amortization expense + finance cost.
- (4) EBITDA Margin = EBITDA/ Total income.
- (5) PAT = Profit before tax – current tax – deferred tax.
- (6) PAT Margin = PAT/ Total income.
- (7) Net debt = Non - current borrowing + current borrowing - Cash and cash equivalent, Bank balance, and Investment in Mutual Funds.
- (8) Total Equity = Equity share capital + Other equity.

- (9) *ROE = Net profit after tax / Total equity.*
- (10) *ROCE = Profit before tax and finance cost / Capital employed\**  
*\*Capital employed = Total Equity + Non - current borrowing + Current Borrowing + Deferred Tax Liabilities – Intangible Assets.*
- (11) *EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period.*

## **OUR STRENGTHS**

### ***Diverse customer base and long-standing relationship with our Customers***

Over the years, we have cultivated relationships with clients spanning various industries, consistently supplying them with our product offerings. Our client base is diverse, encompassing industries such as sanitary and bathware, pipes and plumbing, electrical items, as well as metal dealers and traders. We prioritize building long-term client relationships and strive to meet their needs with popular items. Repeat orders from our core client groups are a testament to our manufacturing capabilities, quality consistency, timely delivery, and cost-competitive manufacturing procedures. Our customer-centric approach and commitment to transparency have facilitated the establishment of enduring relationships. These long-standing connections enable us to comprehend and address their diverse requirements, including the development of new products. Additionally, our sustained relations with clients serve as validation of our operational and managerial competencies, aiding us in attracting new business within the same industry.

The table below lists the contribution of top customers in our total sales :

(Rs. In Lakhs)

Financial Period	March 2024		March 2023		March 2022	
Customer	Amount of sales	% of total sale	Amount of sales	% of total sale	Amount of sales	% of total sale
Top 1 Customer	1,611.57	20.44%	1,228.83	20.49%	8,08.10	18.25%
Top 5 Customers	4,801.82	60.90%	3,660.24	61.04%	2,579.35	58.27%
Top 10 Customers	6,313.52	80.08%	4,868.70	81.20%	3,404.79	76.91%

### ***Quality Standard Certifications & Quality Tests***

Our company emphasizes the production of quality products, conducting comprehensive inspections at each production stage to address concerns promptly and ensure compliance with industry standards before distributing products to customers. This commitment is demonstrated through clearly defined quality and production procedures. We adhere to various quality standards and specifications, checking our goods at multiple manufacturing stages to correct any quality faults or product issues in real-time. Our ability to meet buyers' quality criteria results in repeat orders, thereby maintaining and enhancing our brand image in the market. We maintain focus on quality throughout all stages, from sourcing and inspecting raw materials to manufacturing and the final product inspection, which undergoes rigorous review and monitoring processes. Our efforts to maintain product quality have been recognized in the industry. Our manufacturing unit is located in Jamnagar. In our trading business, we fulfill customer orders by sourcing specific requirements from suppliers and assembling the final products for delivery. For further details with respect to our product portfolio, see "Our Product Portfolio" under this section beginning on page 103.

### ***Experienced Promoter and senior management team***

We have an experienced senior management team under the overall stewardship of our Managing Director and Promoter, Mr. Hitesh Pragajibhai Dudhagara and our Executive Director and Promoter, Mrs. Ronak Hitesh Dudhagara, who has more than eight years of experience in the field of brass industry and have been directly involved in the Strategic and Financial decision making in the business. The experience of our Promoter in the brass industries is supplemented by our senior management team. We also benefit significantly from the qualified and experienced senior management team and workforce who have an entrepreneurial vision and the technical capability to further expand our business and operations. Furthermore, we have a dedicated team of specialists as well as other experienced and technically educated workers. We are constantly strengthening our knowledge by giving in-house training to our personnel in order to broaden and refresh their skill sets, as well as keep them up to speed on the newest advances in manufacturing technology and procedures. The management's trust in the workforce and their focused performance has allowed us to establish ourselves as a market niche player. We believe that our senior management team's in-depth understanding of target markets and client demand and preferences resulted into streamlined processing, improved product quality and increased profitability which give us a competitive edge over our competitors. Their understanding of industry trends, demands and market changes, have enabled us to adapt and diversify our offerings and leverage market opportunities. For further information on our management team, see "Our Management" on page 128.

### ***Established fully integrated plants with over years of operations in the Industry***

Our production facilities, which cover an area of 6293.03 Square meter, are located in the renowned industrial zone of Changa, Jamnagar. Our Manufacturing Facility is integrated with manufacturing, warehousing, logistics and accommodation facilities. We work two shifts a day, six days a week, with enough buffer capacity to scale up production and meet surges in order volume. Furthermore, we have additional space in our Manufacturing Facility to set up new civil structures and install machines, and have the ability to enhance our incremental manufacturing capacity.

Our manufacturing units are equipped and capable of carrying out complete manufacturing operations. Years of industry expertise, strategically located production facilities, a focus on design and quality, and cost-effective manufacturing technology processes have enabled us to satisfy our clients' customised and exacting needs. We offer full-service capabilities across the product cycle including product design and development, material sourcing and designing infrastructure, all under one roof for meeting the requirement of our Brass Equipment and Plumbing products Manufacturers. Our dynamic setup not only gives us better control over quality but also benefits us with cost advantages. Our engineering expertise and manufacturing processes have enabled us to deliver our products and provide timely solution to our customers in accordance with their designs and specifications, in a cost-effective manner without compromising.

### **OUR KEY STRATEGIES :**

#### ***Expand our Product Range***

Expanding our product range is a strategic initiative for us. Our fully integrated plant boasts advanced capabilities for the manufacturing of diverse Brass Products. Beyond our current offerings, we have the flexibility to leverage our plant to produce an array of products, catering to different market segments. In addition to our current focus on customer-specific products, we are considering the diversification of our product portfolio to include items such as Plumbing Components, Auto Parts, Electrical Parts, and more. This expansion aligns with our commitment to adapt to market demands, enhance our competitiveness, and broaden our reach in various industries.

Furthermore, our manufacturing plant's versatility positions us to explore new opportunities and cater to emerging market needs. By incorporating additional product lines into our repertoire, we aim to not only meet the evolving demands of our existing customer base but also attract new clients and strengthen our presence in dynamic market sectors. This strategic move reflects our dedication to innovation, customer satisfaction, and sustained growth in the Brass Products industry.

#### ***Increasing Geographical Presence***

Our plan of expanding our geographical presence involves not only solidifying our position in different regions across India but also venturing into the international market. To achieve this, we are implementing a comprehensive strategy that includes optimizing our production capacities, minimizing costs, diversifying our product range to meet global standards, launching targeted marketing initiatives, offering competitive pricing, and improving the overall efficiency of resource utilization.

By maximizing our production capabilities, we aim to meet the growing demand for our products in various regions, ensuring timely deliveries and maintaining a competitive edge in the market. The reduction of operational costs will contribute to our ability to offer competitive pricing, making our products more appealing to a wider customer base both domestically and internationally.

Our commitment to adhering to global standards in product quality and range will position us as a reliable supplier in the steel industry. This focus on quality, coupled with strategic marketing initiatives, will enhance our brand visibility and reputation in new markets.

Through these concerted efforts, we aspire to expand our global footprint and establish ourselves as a preferred supplier, fostering long-term partnerships and growth opportunities in the Brass industry. This expansion strategy aligns with our vision of becoming a recognized and respected player on the international stage.

### ***Competitive Pricing***

Maintaining competitive pricing is a fundamental strategy of our Company, recognizing its pivotal role in shaping our market positioning and overall business success. In the dynamic landscape of the industry, price has a profound impact on customer preferences and market share. To stay aggressive and secure a substantial market share, we are committed to offering competitive prices to our customers.

Competitive pricing allows us to effectively navigate the competitive environment by aligning our prices with or positioning them slightly below the prevailing market rates. This strategy not only attracts price-sensitive customers but also helps in retaining existing ones. By offering competitive prices, we can meet the expectations of value-conscious consumers, making our products more appealing in the marketplace.

Furthermore, competitive pricing plays a crucial role in sustaining competition and securing a robust position in the market. It positions us as a viable and attractive option for customers, fostering customer loyalty and trust. Additionally, it enables us to respond proactively to market dynamics and fluctuations in demand, allowing us to adapt to changing economic conditions while maintaining our market presence.

By adopting a strategy of competitive pricing, we strive to balance affordability with quality, ensuring that our products remain accessible without compromising on excellence. This approach contributes to the overall resilience of our business, supporting our growth objectives and reinforcing our standing in the industry.

### ***Global and Domestic Presence***

We have two business divisions (i) Domestic sales; and (ii) Exports. We have a presence in different states such as Delhi, Maharashtra, Tamilnadu, Haryana and Gujarat for our domestic market and we are currently export in China only.

### ***Continue to develop client relationships and trust***

We recognize that the foundation of a successful and lasting business lies in our connections with customers. Our main avenue for business growth is through building customer relationships and establishing trust, as we believe these elements contribute significantly to the stability and longevity of our enterprise.

One key aspect of our strategy involves building upon existing client relationships. We understand that loyal customers are invaluable assets, and by consistently meeting their needs and expectations, we aim to solidify these connections. By maintaining open lines of communication, understanding their evolving requirements, and providing consistent quality and service, we foster long-term partnerships that withstand the test of time.

Simultaneously, our growth plan includes a focused effort on expanding our client portfolio. We recognize the importance of diversifying our customer base to mitigate risks and tap into new market opportunities. This involves strategic outreach, targeted marketing efforts, and personalized engagement to attract new clients.

### ***To build-up a professional organization***

Our objective is to establish a professional organization, with a commitment to transparency and dedication serving as the cornerstone of this endeavour. We acknowledge that an empowered workforce is essential for sustainable growth and development of the organization. Transparency is an integral aspect of our organizational culture. We adhere to principles of open communication, information sharing, and fostering an environment where trust is paramount. This transparency extends beyond internal operations to encompass interactions with customers, suppliers, and stakeholders. By maintaining a culture of openness, we aim to create an atmosphere conducive to collaboration and innovation.

Our experienced team plays a pivotal role in the day-to-day operations of the organization. We recognize the value of these individuals and are dedicated to investing in their professional development. Efforts are consistently directed towards transforming our team of experienced employees into an empowered group of professionals. This involves providing training, mentorship, and opportunities for skill enhancement, enabling our team to stay abreast of industry trends and technologies.

The objective is to establish a workplace atmosphere conducive to each employee feeling empowered and motivated to make their optimal contributions. We aim to create a culture that encourages initiative, creativity, and a sense of ownership among our team members. Through these efforts, we anticipate accelerating organizational development, thereby cultivating a proactive and dynamic approach to addressing challenges and seizing opportunities.

### ***Business Development and Growth***

The combination of a partner's retirement and the addition of new partners has facilitated our transition to a corporate entity. This change has maintained our business's core strengths while introducing new direction. The benefits include:

- **Improved Financial Performance:** Better resource management and strategic investments have enhanced our financial results.
- **Increased Market Competitiveness:** Enhanced capabilities and resources have strengthened our market position.
- **Sustainable Growth:** Our corporate structure and leadership team provide a foundation for long-term growth.

By making these changes, we have positioned ourselves to leverage the strengths of our new corporate structure, ensuring ongoing success and value creation for all stakeholders. Additionally, we believe this will improve our ability to raise further resources to fund potential business development opportunities.

### ***Improving functional efficiency and Optimal Utilization of Resources***

Our Company aims to increase operational efficiency to reduce costs and gain an advantage over competitors. We believe this can be accomplished by continual process improvement, good customer service, and technological advancement.

Our company is continually striving to enhance our production process in order to optimize the utilization of resources. We have invested considerable resources in our activities and expect to continue investing in them in order to build tailored systems and procedures to ensure effective management control. We examine our current policies for our Company's operations on a regular basis, allowing us to discover bottlenecks and rectify them. This helps us to improve the efficiency and to make better use of resources.

## OUR BUSINESS OPERATIONS:

### Manufacturing Units

We have 1 (one) manufacturing unit which is situated at Plot No. 5, 8 & 9, Survey Number 433, Shree Ganesh Industrial Hub, Changa Village, Jamnagar-361 012, Gujarat, India. We have a comprehensive manufacturing facility. Our unit is strategically located, well connected to PAN India through all the major National Highways, giving a strategic advantage to our Company. Further because of the location being in the centre we are also well connected to the major ports of the country namely, Nhava Sheva, Mundra Port, etc. Therefore, making it feasible for exports and imports done by our Company which enhances our capability of supplying our products in time and on a cost-effective basis to our clients.

### OUR OPERATIONS :

The details of our businesses are described more in detail in the Chapter “History and Certain other Corporate Matters” on page no.118.

### Capacity and Capacity Utilization

Capacity and capacity utilization of our manufacturing units for the financial year ended March 31, 2024, 2023 and 2022 is as follows:

Capacity details	FY 2022	FY 2023	FY-2024	Existing Installed Capacity (p.a.)
Brass Billets				
Installed Capacity (in Mt.)	4320	4320	4320	4320
Actual Utilization (in Mt.)	345.6	388.8	475.2	
Actual Capacity (%)	8%	9%	11%	
Brass Rods				
Installed Capacity (in Mt.)	4320	4320	4320	4320
Actual Utilization (in Mt.)	2030.4	2721.6	3240	
Actual Capacity (%)	47%	63%	75%	
Brass Components (plumbing and sanitary parts)				
Installed Capacity (in Mt.)	1440	1440	1440	1440
Actual Utilization (in Mt.)	532.8	720	864	
Actual Capacity (%)	37%	50%	60%	

*As certified by Babulal A Ughereja, Chartered Engineer, through certificate dated July 02, 2024*

*\* We have furnished information assuming full year Capacity*

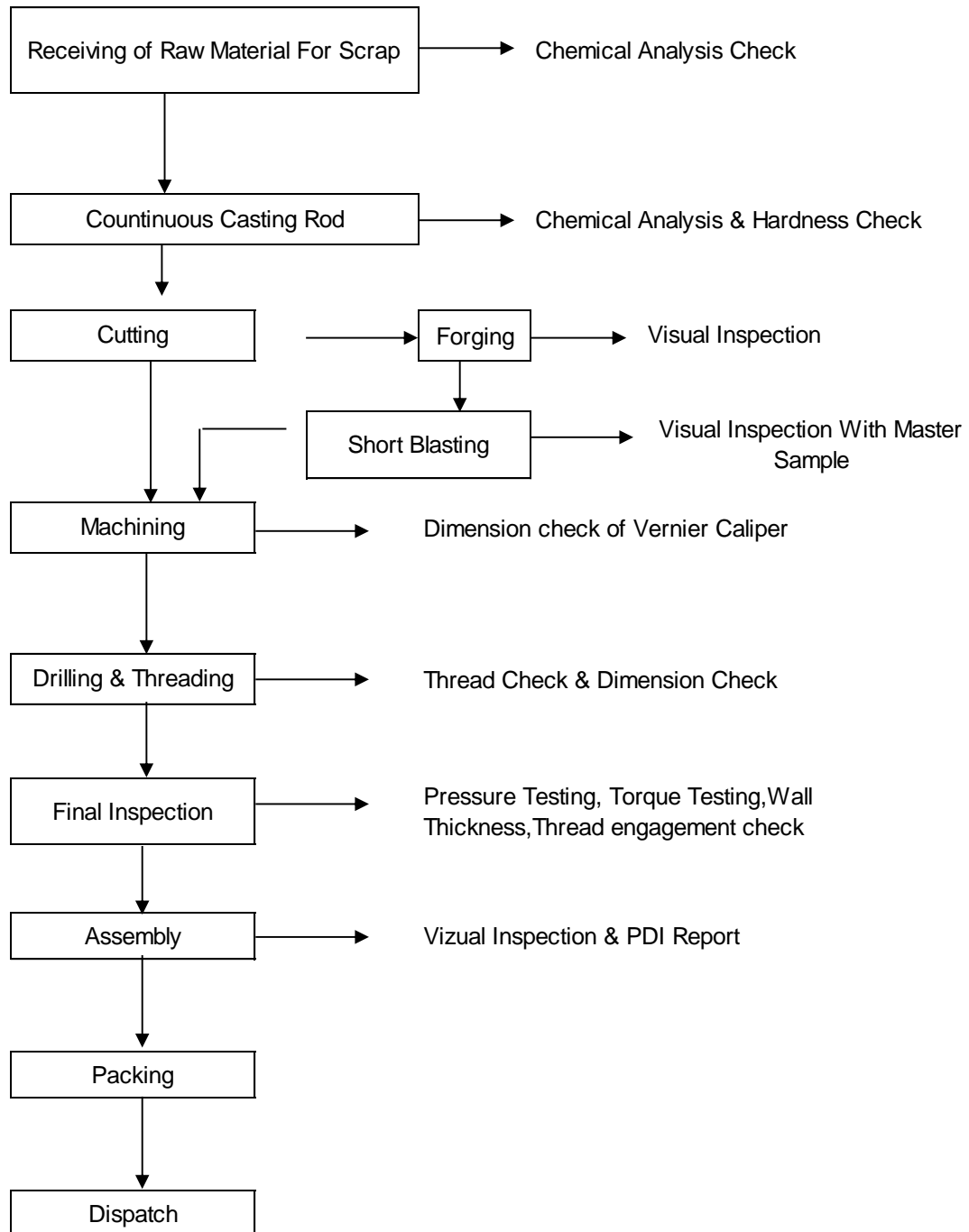
### Utilities

All our manufacturing facilities have access to the necessary utilities, like electricity and water. Electricity is provided by Paschim Gujarat Vij Company Limited.

### Manufacturing Process:

The basic raw material is Brass Scrap, Copper Scrap and Zinc Scrap. These raw material are supplied for Chemical Check, Induction Furnace and Chemical Analysis and thereafter raw material are processed & converted into continuous casting rod and forging parts- a prototype submission and approval through sampling lot, hardness check and final product is made packed and dispatched to the clients as per product specification.

#### Process Flow Chart:



This flow chart visually represents the sequential steps involved in the production process of extruded brass rods and forging parts, starting from raw material collection and sorting, through various processing stages, quality control, and ending with packaging and dispatch of the final products. Detailed Breakdown of the Process for Converting Brass, Copper, and Zinc Scrap into Extruded Brass Rods and Forging Parts:

- 1) Receiving Raw Materials as Scrap: Scrap materials like brass scrap, copper scrap and zinc scrap sourced from various locations including manufacturing facilities, recycling centers, and demolition sites, undergo meticulous



sorting based on their composition and purity. This ensures that only high-quality materials proceed to the next stage.

- 2) **Chemical Analysis:** Raw materials undergo thorough chemical analysis to ascertain their composition and purity. This step is critical in ensuring that the materials meet the required specifications without containing impurities that could compromise the quality of the final product.
- 3) **Continuous Casting Rods:** Sorted and analyzed materials are melted using an induction furnace, leveraging an electromagnetic field for heating. This method is preferred for its energy efficiency and reduced emissions compared to traditional furnaces.
- 4) **Alloying:** The melted materials are combined to form the desired alloy composition, typically brass, achieved through a precise blend of copper and zinc. This alloying process ensures that the final product possesses the desired mechanical and chemical properties.
- 5) **Chemical Analysis & Hardness Check:** Another round of chemical analysis and hardness checks is performed on the alloyed materials to verify that the desired properties, such as strength, ductility, and corrosion resistance, have been achieved.
- 6) **Forging and short blasting:** Utilizing various forging techniques such as open die forging, closed die forging, and hot forging, the extruded brass rods are shaped into forging parts. These techniques enable the production of intricate shapes and geometries. Short Blasting Effectively Remove forging scale, oxides, and other impurities from the surface of forged parts. This creates a clean, uniform surface that is ideal for further processing.
- 7) **Machining:** We perform Turning, Drilling and Threading Process on various types of machines like Automatic Turret Machine, Turning Lathe Machine, Vertical Milling Machine, CNC, VMC and SPMs. We perform the processes either on continuous casting Rod or Forged Product as per the product requirement.
- 8) **Final Inspection:** Torque testing is used as a quality control mechanism to test or calibrate torque controlled tools. This is done so as the product doesn't tear out. It is a kind of material check on the product. After torque testing; pressure testing is done randomly on sample basis.
- 9) **Assembly & Quality Control:** The deficient products are removed and the products which pass the test are sent for packing. Rigorous quality control measures are implemented on the final products to verify compliance with specifications. Any defects are identified and corrected during this stage.
- 10) **Packaging and Dispatch:** The finalized products are carefully packaged and dispatched to clients in accordance with their specific requirements.

This comprehensive process guarantees that the end products meet the highest standards, with any potential issues addressed before reaching clients. By adhering to these steps, the production of continuous casting rods and forging parts is executed in a secure, efficient, and environmentally conscious manner.

## OUR RAW MATERIALS

Our Major Raw Materials include



### Brass Scrap

Our manufacturing process is depended on continuous supply of raw materials i.e brass scrap, zinc and copper used for manufacturing of our brass products. The brass scrap is procured largely from Local suppliers. Brass scrap forms the major part of raw material. We procure that on cost negotiation basis as and when required.



### Zinc

Zinc is one of the component of brass. The amount of zinc varies depending on the type of brass. It is used to increase the strength of brass and make it harder.



### Copper

Copper is another component of brass. The amount of copper varies depending on type of brass. It is used to provide corrosion resistance to Brass. It is used as it is hygienic metal that slows down the growth of germs and thus used for allied agriculture products.

## *Environment, Health and Safety*

We are committed to the training and safety of our employees. Our goal is to provide an injury and accident-free work environment through our safety management systems. Our policies, procedures, and training programs have been developed in line with recognized industry standards, with input from management and employees. Our quality and safety management systems are subject to regular management audits. We organize mock fire drills and safety workshops for training our staff, security personnel, and workmen at regular intervals. We comply with all applicable environmental laws, rules, and regulations and will continue to do so. We have obtained all material environmental consents and licenses from the relevant governmental agencies that are necessary for us to carry on our business. For details, see “Government and Other Approvals” on page 222.

## **Sales and Marketing**

Our business operations and products cater to a wide range of customers with a diverse portfolio of products. There are few players in India with such an extensive range. While our company may not have a formalized marketing strategy, a key strength lies in the trust and confidence that our top management and key executives have garnered from our customers. This trust often stems from a history of delivering quality products and services. The reliance placed on our leadership team has played a crucial role in establishing and maintaining positive relationships with our clientele.

To enhance the quality of our products and services, we regularly engage with our customers. This interaction focuses on obtaining feedback on their experiences and understanding their evolving needs and expectations. These periodic interactions help us stay attuned to market dynamics, ensuring that our offerings remain aligned with customer requirements.

Customer feedback is a key component of our continuous improvement process. By actively seeking and listening to customer feedback, we gain insights into areas where we excel and aspects that may require refinement. This approach enables us to adapt swiftly to changing market demands, enhance the quality of our offerings, and maintain a high level of customer satisfaction.

The absence of a formalized marketing strategy is compensated by our commitment to customer engagement and satisfaction. Personal interactions conducted by our team serve to gather feedback and contribute to cultivating lasting relationships. By prioritizing customer communication and feedback, we aim to strengthen our market position and uphold our reputation for delivering quality products and services.

## Manpower

The detailed break-up of our employees as on June 30, 2024 is as under:

Particulars	No. of Employees
Compliance Department	1
Forging Department	2
Production Planning	1
Machining	3
Lab In charge	1
Human Resource	1
Packaging Department	1
Accounts and Finance	3
Directors	2
<b>Total</b>	<b>15</b>

We also hire workers on contract basis at our manufacturing units as per requirement.

## Plant & Machinery

Our existing plant & machinery at both our units is as summarised below:

We have set up an integrated manufacturing facility at Jamnagar, India which provides us with the flexibility to produce new products in a short time span and scale-up production to meet the demands of our customers. Our manufacturing facility, spread across a sprawling area of 6293.03 Square Meter of land, is a fully integrated facility with processes starting from procurement of raw materials, stringent quality checks, assembling, pre-delivery inspection and final dispatch. Our integrated manufacturing process provides us with competitive advantages in terms of maintaining quality and effectiveness of the products we manufacture. Our manufacturing unit is equipped with machinery, including Automatic Tropic Machine, Turning Lathe Machine, Vertical Milling Machine, CNC, and SPMs, ensuring precision and efficiency in our production processes.

## Inventory Management

We have sufficient storage facility at our manufacturing facility for the storage of raw materials to save the lead time required to obtain additional supplies. Our finished Products are stored at our Manufacturing Facility. We generally store a sufficient stock of finished goods at our Manufacturing Facility. The quantity of finished products manufactured by us is on demand basis and the production and inventory levels of our finished products are planned to the production schedule and volumes based on the actual orders received. We closely supervise our daily production and aim to maintain suitable inventory levels of raw material and finished goods at our Manufacturing Facility. Further, for raw material, we maintain different inventory levels depending on lead time required to obtain additional supplies.

## Logistics

Understanding the needs of our customers, we take special care of the products while packaging to ensure their safety and purity until cargoes are packed according to customers' options. Also our strong selected forwarders assure to dispatch goods at affordable prices, on time every time.

## Competition

The Brass Equipment Industry is highly competitive, and we face intense competition both from domestic as well as international players. The principal factors affecting competition include: customer relationships; technical excellence or differentiation; price; service delivery including the availability of qualified personnel and skilled manpower, ability to deliver processes as required including local content and presence; service quality; health, safety and environmental standards and practices; financial strength; risk management awareness and processes. The level of competition also varies depending on the size, nature and complexity of the project and the geographical region where the project is to be implemented.

Some of our competitors have (i) greater financial and other resources and better access to capital than we do, which may enable them to compete more effectively for large scale project awards; and (ii) better geographical reach which gives them the ability to quote competitively as the transportation costs are limited. However, depending on various

factors, including our prior experience and the extent of our presence in the relevant geographical region, we are able to leverage our local experience, established contacts with local clients, and familiarity with local working conditions to provide more cost-effective services than our competitors or offer a better value proposition.

Our Company operates in highly competitive markets and faces competition; however, it is not possible to compute the present market share of our Company since the Brass Industry is largely an unorganized industry and there are no reliable source / report which carry this data on market share. For Further information, please refer Risk Factor of Draft Prospectus beginning from page no 29.

### **Immovable Property**

The following table sets forth the location and other details of the properties of our Company:

<b>Description and Usage*</b>	<b>Name of Lessor</b>	<b>Address of Premises</b>	<b>Area (in Sq. Mtr.)</b>	<b>Relationship of lessor with our Company</b>	<b>Terms</b>
<b>Registered Office and Manufacturing Unit</b>	Ronak Hitesh Dudhagara	Plot No. 5, 8 & 9, Survey No 433, Shree Ganesh Industrial Hub, Changa Village, Jamnagar, Jamnagar, Gujarat, India- 361012	6,293.03	Lessor is promoter of Narmadesh Brass Industries Limited	₹50,000/- per Month.

*\*No manufacturing facility on leasehold are taken from related parties other than above.*

## Insurance Policies

Following Insurance are taken by our Company.

Sr. No	Name of the Insurance Company	Name of the person/ entity insured under the policy	Policy Name & Number	Coverage Details	Sum Insured (INR)	Total Premium (INR)	Policy Start Date and End Date
1	Go Digit General Insurance Ltd	Narmada Brass Industries	Business Flexi Package Policy D138457686	Property Damage; Storm, Cyclone, Typhoon, Tempest, Hurricane, Tornado, Tsunami, Flood and Inundation; Earthquake; Theft after an Insured Event	14,18,99,300	38,358.50	From 13-Mar-2024 to 12-Mar-2025
2	Go Digit General Insurance Ltd	Ronakben Hiteshbhai Dudhagara	Property Insurance D138458444	Property Damage; Storm, Cyclone, Typhoon, Tempest, Hurricane, Tornado, Tsunami, Flood and Inundation; Earthquake; Theft after an Insured Event	6,50,00,000	91,529.65	From 13-03-2024 to 12-03-2025
3	Go Digit General Insurance Ltd	Narmadesh Brass Industries Limited	Digit Employees Compensation Insurance Policy D129437392	Forging Work; Out Door Duty & Other Related Work; Machining Work , Process , Cutting Machine; Brass Foundry , Casting , Extrusion Work; Total Monthly Wages	-	65942.73	From 01-Jan-2024 to 31-Dec-2024

## **KEY INDUSTRIAL REGULATIONS AND POLICIES**

*The following description is an overview of certain sector-specific relevant laws and regulations in India which are applicable to the operations of our Company and its business. The description of laws and regulations set out below is not exhaustive and is only intended to provide general information to Bidders. The information in this section is neither designed nor intended to be a substitute for professional legal advice and investors are advised to seek independent professional legal advice.*

*The statements below are obtained from publications available in the public domain based on the current provisions of applicable Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions and our Company or the LM are under no obligation to update the same.*

### **A. INDUSTRY RELATED LAWS AND REGULATIONS**

#### ***The Legal Metrology Act, 2009 (“Legal Metrology Act”) and Legal Metrology (Packaged Commodities) Rules, 2011***

The Legal Metrology Act was enacted to establish and enforce standards of weights and measures and to regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. It repealed and replaced the Standard of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. Making use of any numeration not in accordance with the standards of weights and measures prescribed under the Legal Metrology Act may be punished by a fine which may extend to ₹25,000 and for the second or subsequent offense, with imprisonment for a term not exceeding six months and also with fine. Any transaction, deal or contract in contravention of the standards of weights and measures prescribed by the government may be punished with fine which may extend to ₹ 10,000 and for the second or subsequent offence, with imprisonment for a term which may extend to one year, or with fine, or both. The Legal Metrology Act permits the central government to make rules thereunder to carry out provisions of the Act. Further, states may, after consultation with the central government, frame state specific rules under this Act to provide for the time limits for verification of weights and measures, maintenance of registers and records, manner of notifying government authorities, fees for compounding of offences etc.

The Legal Metrology (Packaged Commodities) Rules, 2011 framed under the Legal Metrology Act lay down specific provisions applicable to packages intended for retail sale, wholesale packages and for export of packaged commodities and also provide for registration of manufacturers, packers and importers. Also, the Legal Metrology (Government Approved Test Centre) Rules, 2013 have laid down specifications about verification of weights and measures specified therein by government approved test centre.

#### ***Environment Laws***

We are subject to various environmental regulations as the operation of our establishments might have an impact on the environment. The basic purpose of such statutes is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards (“PCBs”), have been set up in each state and at the central level. Establishments, as prescribed under various regulations may be required to obtain consent orders from the PCBs. These consent orders are required to be renewed periodically.

#### ***Electricity Act, 2003***

The Electricity Act, 2003 (the “**Electricity Act**”) was enacted to regulate the generation, transmission, distribution, trading and use of electricity by authorising a person to carry on the above acts either by availing a license or by seeking an exemption under the Electricity Act. Additionally, the Electricity Act states no person other than Central Transmission Utility or State Transmission Utility, or a licensee shall transmit or use electricity at a rate exceeding 250 watts and 100 volts in any street or place which is a factory within the meaning of the Factories Act, 1948 or a mine within the meaning of the Mines Act, 1952 or any place in which 100 or more persons are ordinarily likely to be assembled. An exception to the said rule is given by stating that the applicant shall apply by giving not less than 7 days’ notice in writing of his intention to the Electrical Inspector and to the District Magistrate or the Commissioner of Police,

as the case may be, containing the particulars of electrical installation and plant, if any, the nature and purpose of supply of such electricity. The Electricity Act also lays down the requirement of mandatory use of meters to regulate the use of electricity and authorises the Commission so formed under the Electricity Act, to determine the tariff for such usage. The Electricity Act also authorises the State Government to grant subsidy to the consumers or class of consumers it deems fit from paying the standard tariff required to be paid. The Electricity Act also states the mechanism for seeking judicial relief by setting up an Appellate Tribunal and laying down the process to seek justice against the orders of the Commission established under the Electricity Act.

### **Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “Hazardous Wastes Rules”)**

The Hazardous Waste Rules define the term “hazardous waste” and any person who has control over the affairs of a factory or premises or any person in possession of the hazardous or other waste is classified as an “occupier”. In terms of the Hazardous Waste Rules, occupiers have been, inter alia, made responsible for safe and environmentally sound handling of hazardous wastes generated in their establishments and are required to obtain license/ authorisation from the respective State PCB for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or similar activities in relation to hazardous waste. The Hazardous Waste Rules also prescribe the hierarchy in the sequence of priority of prevention, minimization, reuse, recycling, recovery and co-processing. Further, State PCBs are mandated to prepare an inventory of the waste generated, waste recycled, recovered and utilized including co-processed, reexported and disposed, based on annual returns received from occupiers and operators, and submit it to the Central Pollution Control Board on an annual basis.

### ***Municipality Laws***

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective States of India have enacted laws empowering the municipalities to issue trade license for operating stores and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

### ***Professional Tax***

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

### ***Transfer of Property Act, 1882***

The Transfer of Property Act, 1882 (the “**T.P. Act**”) governs the transfer of property, including immovable property, between natural persons excluding a transfer by operation of law. The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The T.P. Act also provides for the rights and liabilities of the vendor and purchaser in case of a transaction relating to sale of property and the lessor and lessee if the transaction involves lease of land, as the case may be.



### ***Sale of Goods Act, 1930***

The Sale of Goods Act, 1930 (the “***Sale of Goods Act***”) governs contracts relating to the sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract for sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for the sale of goods.

### ***The Registration Act, 1908***

The Registration Act, 1908 (the “***Act***”) was passed to consolidate all the previous legislations which were enacted in relation to the registration of documents. This Act was promulgated to achieve the purpose of maintaining a proper regulatory record of transactional documents with a recognized officer in order to safeguard the original copies. The Act lays down two types of registration of documents, one being mandatory registration, which has been laid down under Section 17 of the Act and relates to documents such as, *inter alia* gift deed or transfer deed for an immovable property, non-testamentary instruments purporting to an interest in any immovable property, leasing or renting an immovable property. The other type of registration has been laid down under Section 18 of the Act which provides for the category of documents, registration of which is optional or discretionary and include, wills, instrument for transfer of shares, adoption deeds, etc. Failure to register a document under Section 17 of the Act can attract severe consequences, including declaration of invalidity of the transfer in question; however, no such consequence is attracted in case of Section 18 of the Act. Sections 28 and 31 of the Act provide the sub-registrars and other officers, the authority to register documents under this Act. Registration of a document, provides authenticity to a document and also acts as a conclusive proof in relation to the execution of such a document in the court of law.

### ***Indian Stamp Act, 1899***

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the Union list mentioned in the Seventh Schedule of the Constitution of India, is governed by the provisions of the Indian Stamp Act, 1899 (the “***Act***”), all others instruments are required to be stamped, as per the rates laid down by the State Governments. Stamp duty is required to be paid on such category of transaction documents laid down under the various laws of the states, which denotes that stamp duty was paid before the document became legally binding. The stamp duty has to be paid on such documents or instruments and at such rates which have been specified in the First Schedule of the Act. Instruments as mentioned in the said schedule of the Act, if are not duly stamped are not admissible in the court of law as valid evidence for the transaction contained therein. The Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the relevant authorities and validated by imposing of penalty on the parties. The amount of penalty payable on such instruments may vary from state to state.

## **B. TAX RELATED LAWS**

The tax related laws that are applicable to our Company include the Customs Act, 1962, the Income Tax Act, 1961, the Income Tax Rules, 1962 and GST which includes the Central Goods and Services Tax Act, 2017, various State Goods and Services Tax legislations, and the Integrated Goods and Services Tax Act, 2017.

## **C. FOREIGN INVESTMENT RELATED LAWS AND REGULATIONS**

Foreign investment in India is governed by the provisions of FEMA along with the rules, regulations and notifications made by RBI thereunder, and the Consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“***DIPP***”) from time to time. Under the current FDI Policy (effective October 15, 2020) 100% foreign direct investment is permitted in the animal husbandry sector, under the automatic route.

As per the SEBI (Foreign Portfolio Investors) Regulations, 2019 (“***SEBI FPI Regulations***”), investments by Foreign Portfolio Investors (“***FPIs***”) in the capital of an Indian company under the SEBI FPI Regulations are subject to individual holding limits of 10% of the total paid up equity capital on a fully diluted basis of the company per FPI. If the investment exceeds the threshold limit of 10% the investor must divest the excess holding within five days of the breach, and if not accordingly divested, the entire investment in the company by the FPI shall be considered as FDI and the FPI will be prohibited from making further investments in the company under the regulations.



### ***Overseas Direct Investment (“ODI”)***

In terms of the Master Direction No. 15/2015-16 on Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary Abroad issued by the RBI, dated January 1, 2016, an Indian entity can make ODI under the automatic route up to limits prescribed by the RBI, which currently should not exceed 400% of its net worth. ODI can be made by investing in either joint ventures or wholly owned subsidiaries outside India. Any financial commitment exceeding USD one billion (or its equivalent) in a financial year would require prior approval of the RBI.

## **D. INTELLECTUAL PROPERTY LAWS**

### ***Information Technology Act, 2000***

The Information Technology Act, 2000 (the “**IT Act**”) creates a liability on a body corporate which is negligent in implementing and maintaining reasonable security practices and procedures, and thereby causing wrongful loss or wrongful gain to any person, while possessing, dealing with, or handling any sensitive personal data or information in a computer resource owned, controlled or operated by it but affords protection to intermediaries with respect to third party information liability. The IT Act also provides for civil and criminal liability including compensation, fines, and imprisonment for various computer related offences. These include offences relating to unauthorised disclosure of confidential information and committing of fraudulent acts through computers, tampering with source code, unauthorised access, publication or transmission of obscene material etc. The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information in the interest of sovereignty, integrity, defence and security of India, among other things. In April 2011, the Department of Information Technology under the Ministry of Communications and Information Technology notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules 2011 under Section 43A of the IT Act and the Information Technology (Intermediaries Guidelines) Rules, 2011 under Section 79(2) of the IT Act.

### ***Indian Patents Act, 1970***

The purpose of the Indian Patents Act, 1970 (the “**Act**”) is to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the terms of the patent. An invention means a new product or process involving an inventive step capable of industrial application. An application for a patent can be made by (a) a person claiming to be the true and first inventor of the invention; (b) a person being the assignee of the person claiming to be the true and first inventor in respect of the right to make such an application; and (c) legal representative of any deceased person who immediately before his death was entitled to make such an application.

### ***Trade Marks Act, 1999***

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

In March 2017, the Trade Marks Rules, 2017 (“**Trade Mark Rules**”) were notified, in supersession of the Trade Marks Rules, 2002. The Trade Marks Rules brought with them some changes in the application process, in terms of an increase in application fees and common formats for multiple kinds of applications. However, the e-filing process has been incentivized by providing lower application fees.

## **E. EMPLOYMENT RELATED LAWS**

### ***The Code on Wages, 2019***

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Central Government has notified certain provisions of this code mainly in relation to the constitution of the advisory board.

### ***The Occupational Safety, Health and Working Conditions Code, 2020***

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

### ***The Industrial Relations Code, 2020***

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

### ***The Code on Social Security, 2020***

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government.

### ***Factories Act, 1948***

The Factories Act, 1948 (the "**Factories Act**") regulates the provisions relating to labour employed in factories. This Act defines a factory as any premises on which ten or more workers are employed or were employed on any day of the previous twelve (12) months, and on which a manufacturing process is being carried on with the aid of power, or a premises on which twenty or more workers are employed or were employed on any day of the previous twelve (12) months and on which a manufacturing process is carried on ordinarily without the use of power. The Factories Act provides for the health, safety, and welfare of all workers and requires that the '*Occupier*' (defined as the person who has ultimate control over the affairs of the factory and in case of a company, any one of the directors) ensures that all the workers are within safe working conditions while they are in the factory, and are not exposed to any health risks and that they receive adequate instruction, training and supervision to ensure the same. The Factories Act also makes provisions relating to the employment of women and young persons (including children and adolescents), annual leave with wages, etc.

The Factories Act requires an Occupier of a factory to obtain approval, license, and registration for running and qualifying as a factory under the Factories Act, by submitting the application along with plans and specifications to the State Government or the Chief Inspector. Unless this permission from the Chief Inspector is obtained, no building can be constructed or taken in use as a factory or a part of an existing factory. The Chief Inspector may, on receipt of the said application and on being satisfied that there is no objection to the grant of license applied for, register the factory and grant the license to the applicant to use as factory such premises as are specified in the application and subject to compliance with such conditions as are specified in the license.

Any contravention of the provisions of the Factories Act or the rules framed thereunder may lead to imprisonment of the manager or the Occupier of the factory for a term up to two (2) years or with a fine of ₹ 100,000 or both, and in case of continuing contravention even after conviction, with a fine of up to ₹ 1,000 per day of contravention. In case of a contravention which results in an accident causing death or serious bodily injury, the fine shall be not less than ₹ 25,000 and ₹ 5,000 respectively.

### ***Industries (Development and Regulation) Act, 1951***

The Industries (Development and Regulation) Act, 1951 (the “**Act**”) governs the development and regulation of industries in India, and its main objective is to empower the Government to: (i) take necessary steps for the development of industries; (ii) regulate the pattern and direction of industrial development; and (iii) control the activities, performance and results of industrial undertakings in public interest. The Act is applicable to the ‘*Scheduled Industries*’ which have been listed down in the first schedule of the Act and small-scale industrial undertakings and ancillary units are exempted from the provisions of the Act.

The Act regulated the industries by requiring them to obtain industrial licensing by filing an Industrial Entrepreneur Memoranda with the Secretariat of Industrial Assistance, Department of Industrial Policy and Promotion. This Act is administered by the Ministry of Industries and Commerce through its Department of Industrial Policy & Promotion. This department is responsible for the formulation and implementation of promotional and developmental measures for growth of the industrial sector and also monitors the industrial growth and production, in general, and selected industrial sectors.

In addition to above, we are subject to a wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our labourers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees’ (Provident Fund and Miscellaneous Provision) Act, 1952.

### ***Industrial Employment (Standing Orders) Act, 1946***

In order to strengthen the bargaining powers of the workers this act is enacted, it requires the employers to formally define the working conditions to the employee. As per this act, an employer is required to submit five copies of standing orders required by him for adoption of his industrial establishment. An employer failing to submit the draft standing orders as required by this act shall be liable to pay fine as per section 13 of this act.

### ***Contract Labour (Regulation and Abolition) Act, 1970, as amended (the “CLRA Act”)***

The CLRA Act requires the principal employer of an establishment in which twenty or more workmen are employed or were employed on any day of the preceding twelve months as contract labour, to make an application to the concerned officer for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor who employs or who employed on any day of the preceding twelve months twenty or more workmen, is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The CLRA Act imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA Act.

### ***Employees State Insurance Act, 1948, as amended (the “ESIC Act”)***

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers. Employees (Provident Fund and Miscellaneous Provisions) Act, 1952, as amended (the “**EPF Act**”) The EPF Act applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the GoI from time to time. It requires all such establishments to be registered with the state provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees’ provident fund the prescribed percentage of basic wages

and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State provident fund commissioner.

***Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (“the Act”)***

The Act was enacted to regulate the employment and conditions of service of building and other construction workers and to provide for their safety, health and welfare measures and for other matters connected therewith or incidental thereto.

## **F. GENERAL CORPORATE AND OTHER ALLIED LAWS**

Apart from the above list of laws which is inclusive in nature and not exhaustive – general laws like the Indian Contract Act, 1872, Specific Relief Act, 1963, Negotiable Instruments Act, 1881, Sale of Goods Act, 1930 Consumer Protection Act, 1986, Anti Trust law such as Competition Act, 2002 and corporate Acts namely Companies Act, 1956 and Companies Act, 2013 are also applicable to the Company.

## **HISTORY AND CERTAIN CORPORATE MATTERS**

The business of the Company can be traced through its origin of “M/s. Narmada Brass industries” formed vide a partnership deed dated August 29, 2019, with an intent to carry on the business of Manufacturing, Wholesale & Trading, Importing, Exporting of all types of Brass Parts. In the financial year 2019, our promoters, Mr. Hitesh Pragajibhai Dudhagara and Ms. Ronak Hitesh Dudhagara, along with partner Mr. Ghanshayamlal Somani, were admitted vide deed of Admission dated August 08, 2019. Admits until 2019 until September 01, 2023, various partners had been admitted and retired, thereafter, through supplemental partnership deed dated September 01, 2023, M/s. Narmada Brass industries was thereafter survived with the following partners, namely being, Sprayking Agro Equipment Ltd, Mr. Hitesh Pragajibhai Dudhagara, Ms. Ronak Hitesh Dudhagara, Mr. Shashank Doshi, Mr. Pragajibhai Dudhagara, Mrs. Parvatiben Dudhagara and Mr. Krish Dudhagara.

Further the Partnership Firm “M/s. Narmada Brass industries” was converted into Public Limited Company “Narmadesh Brass industries Limited” pursuant to Part I of chapter XXI of the Companies Act, 2013 vide Certificate of Incorporation dated October 30, 2023 bearing registration No. 145839 issued by Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U24209GJ2023PLC145839.

For further details of our promoters please refer the chapter titled ‘*Our Promoters and Promoter group*’ beginning on page 142 of this Draft Prospectus.

### **Registered office address:**

Registered Office of the Company is presently situated at Plot No. 5, 8 & 9, Survey No. 433, Shree Ganesh Industrial Hub, Changa Village, Jamnagar - 361 012, Gujarat, India.

### **The details of change in Registered Office of our Company are as following**

There has not been any change in our Registered Office since incorporation till date of this Draft Prospectus.

### **Main Objects of Our Company**

The object clauses of the Memorandum of Association of our Company enable us to undertake our present activities. The main objects of our Company are:

Manufacture of other non-ferrous metals n.e.c. to carry on the business of Manufacturing, Wholesale & Trading, Importing, Exporting of all types of Brass, Ferrous Metals, Non-Ferrous Metals and other Metals Products etc.

### **Amendments to the MoA of our company since incorporation:**

There has been no change in the Memorandum of Association of our Company since its Incorporation.

### **Alteration in Name Clause pursuant to conversion:**

There has been no change in the Articles of Association of our Company since its Incorporation.

### **Key events and milestones**

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

<b>FY</b>	<b>Achievements</b>
2019	Establishment of Partnership Firm in the Name of “ <i>M/s. Narmada Brass industries</i> ”
2023	Conversion from the partnership firm into a Public Limited Company in the name of “ <i>Narmadesh Brass Industries Limited</i> ”

### **Key awards, accreditations or recognition**

As of date of this Draft Prospectus, we have not received any key award or recognition.

### **Time and Cost Overrun**

Our Company has not experienced any significant time and cost overrun in setting up projects.

### **Defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks**

As on date of this Draft Prospectus, there are no defaults or rescheduling of borrowings from financial institutions or banks.

**Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation**

Our Company has not made any business acquisition, merger and amalgamation or disinvestment of business since incorporation.

**Revaluation of assets**

Our Company has neither revalued its assets nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves since incorporation.

**Holding Company**

As on the date of this Draft Prospectus Sprayking Limited (Formerly Known as “*Sprayking Agro Equipment Limited*”) is our holding company.

**Subsidiaries of our Company**

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

**Associate or Joint ventures of our Company**

As on the date of this Draft Prospectus, our Company does not have any joint ventures or associate companies.

**Strategic and Financial Partners**

As on date of this Draft Prospectus our Company does not have any strategic and financial partners .

**Shareholders and Other Agreements**

There are no shareholders and other material agreements, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us.

**Agreements with key managerial personnel or a Director or Promoters or any other employee of the Company**

There are no agreements entered into except in the ordinary course of business by a Key Managerial Personnel or Director or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

**Material Agreements**

Our Company has not entered into any material agreements with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business of our Company.

**Fraudulent Borrower**

Our Company or any of our promoter or directors are not declared as ‘Fraudulent Borrower’ by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

**Injunctions or Restraining Orders**

There are no injunctions/ restraining orders that have been passed against the Company.

**Fund raising through equity or debt**

For details in relation to our fund-raising activities through equity and debt, please refer to the chapters titled '*Restated Financial Statement*' and '*Capital Structure*' beginning on page no.153 and 65, respectively, of this Draft Prospectus.

**Revaluation of Assets**

Our Company has not re-valued its assets since its incorporation.

**Defaults or rescheduling of borrowings with financial institutions/banks**

There have been no instances of defaults or rescheduling of borrowings with financial institutions/banks as on the date of this Draft Prospectus.

**Strikes and lock-outs**

As on the date of this Draft Prospectus, our employees are not unionized, hence the above is not applicable to us.

**Changes in the activities of Our Company having a material effect**

There has been no change in the activities being carried out by our Company which may have a material effect on the profits/ loss of our Company, including discontinuance of the current lines of business, loss of projects or markets and similar factors in the last five years.

**Number of Shareholders**

Our Company has 8 (Eight) shareholders on date of this Draft Prospectus.

## **OUR MANAGEMENT**

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 Prospectus, our Company has 5 (Five) Directors on the Board, 1 (One) as Managing Director, 1 (One) as Woman Executive Director, 1(One) Non-Executive Director and 2 (Two) as Non-Executive Independent Directors.

### **Board of Directors:**

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Draft Prospectus:

<b>Name, Designation, Age, Date Of Birth, Address, Experience, Occupation, Qualification, Current Term, Date Of Appointment And DIN</b>	<b>Other directorships</b>
<b>MR. HITESH PRAGAJIBHAI DUDHAGARA</b>  <b>Designation:</b> Managing Director  <b>Age:</b> 44 years  <b>Date of Birth:</b> October 13, 1979  <b>Address:</b> Gangotri, Janta Fatak, Raghuvir Society, Street No. 2, Indira Road Jamnagar – 361 004, Gujarat, India.  <b>Experience:</b> 17 years  <b>Occupation:</b> Business  <b>Qualification:</b> Chartered Mechanical Engineer and Diploma in Export Management – Engineering Specialisation  <b>Term:</b> Not Liable to retire by rotation.  <b>Expiry of Term:</b> Appointed as a Managing Director for a period of five years w.e.f. 22/03/2024  <b>Period of Directorship:</b> Since incorporation  <b>DIN:</b> 00414604	<b>Companies:</b>  1. Narmadeshwar Metal Private Limited 2. Sprayking Limited  <b>Foreign Companies:</b>  Nil



Name, Designation, Age, Date Of Birth, Address, Experience, Occupation, Qualification, Current Term, Date Of Appointment And DIN	Other directorships
<p><b>MRS. RONAK HITESH DUDHAGARA</b></p> <p><b>Designation:</b> Executive Director</p> <p><b>Age:</b> 41 years</p> <p><b>Date of Birth:</b> January 09, 1983</p> <p><b>Address:</b> Gangotri, Janta Fatak, Raghuvir Society, Street No. 2, Indira Road Jamnagar – 361 004, Gujarat, India.</p> <p><b>Experience:</b> 8 years</p> <p><b>Occupation:</b> Business</p> <p><b>Qualification:</b> Second year B. Sc.</p> <p><b>Term:</b> Liable to retire by rotation.</p> <p><b>Period of Directorship:</b> Since incorporation</p> <p><b>DIN:</b> 05238631</p>	<p><b>Companies:</b></p> <ol style="list-style-type: none"> <li>1. Sprayking Limited</li> <li>2. Mechatronics Tools Limited</li> </ol> <p><b>Foreign Companies:</b></p> <p>Nil</p>
<p><b>MR. KRISH DUDHAGARA</b></p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Age:</b> 18 years</p> <p><b>Date of Birth:</b> August 03, 2005</p> <p><b>Address:</b> Gangotri, Janta Fatak, Raghuvir Society, Street No. 3, Indira Road Jamnagar – 361 004, Gujarat, India.</p> <p><b>Experience:</b> 08 Months</p> <p><b>Occupation:</b> Business</p> <p><b>Qualifications:</b> Higher Secondary Certificate</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Period of Directorship:</b> Since Incorporation</p> <p><b>DIN:</b> 10373692</p>	<p><b>Companies:</b></p> <p>Mechatronics Tools Limited</p> <p><b>Foreign Companies:</b></p> <p>Nil</p>
<p><b>MR. VISHAL PANSARA</b></p> <p><b>Designation:</b> Non- Executive Independent Director</p> <p><b>Age:</b> 36 years</p> <p><b>Date of Birth:</b> December 06, 1987</p> <p><b>Address:</b> 804, Summit-2, Opp. Shell Petrol Pump, Prahladnagar, Satellite, Ahmedabad City, Ahmedabad- 380 015, Gujarat, India.</p> <p><b>Experience:</b> 15 years in the field of manufacturing and real estate sector</p> <p><b>Occupation:</b> Business</p>	<p><b>Companies:</b></p> <ol style="list-style-type: none"> <li>1. Tassos Construction Private Limited</li> <li>2. Kevadiya Construction Private Limited</li> <li>3. Sprayking Limited</li> </ol> <p><b>Limited Liability Partnerships:</b></p> <p>Glomergy Global LLP</p> <p><b>Foreign Companies:</b></p> <p>Nil</p>

Name, Designation, Age, Date Of Birth, Address, Experience, Occupation, Qualification, Current Term, Date Of Appointment And DIN	Other directorships
<p><b>Qualifications:</b> Post Graduation in Marketing Management from Ahmedabad Management Association.</p> <p><b>Term:</b> Not liable to retire by rotation</p> <p><b>Expiry of Term:</b> 21<sup>st</sup> March, 2029</p> <p><b>Period of Directorship:</b> 5 years from the date of appointment i.e. 22<sup>nd</sup> March, 2024</p> <p><b>DIN:</b> 02230565</p>	
<p><b>MR. NIKHIL MALPANI</b></p> <p><b>Designation:</b> Non- Executive Independent Director</p> <p><b>Age:</b> 33 years</p> <p><b>Date of Birth:</b> July 13, 1991</p> <p><b>Address:</b> Jawahar Colony Kampoo, Behind Padma School, Gird, Gwalior – 474001, Madhya Pradesh, India.</p> <p><b>Experience:</b> 8 years</p> <p><b>Occupation:</b> Professional</p> <p><b>Qualifications:</b> Chartered Accountant</p> <p><b>Term:</b> Not liable to retire by rotation</p> <p><b>Expiry of Term:</b> 21<sup>st</sup> March, 2029</p> <p><b>Period of Directorship:</b> 5 years from the date of appointment i.e. 22<sup>nd</sup> March, 2024</p> <p><b>DIN:</b> 09816032</p>	<p><b>Companies:</b></p> <ol style="list-style-type: none"> <li>1. Sunita Tools Limited</li> <li>2. Arrowhead Separation Engineering Limited</li> <li>3. Naps Global India Limited</li> <li>4. Integrity Infrabuild Developers Limited</li> </ol>

#### **Brief Profile of Directors:**

1. **Mr. Hitesh Pragajibhai Dudhagara**, aged 44, is a Chartered Mechanical Engineer. He also holds a Diploma in Export Management – Engineering Specialization. He is the Promoter and Managing Director of our Company. He has been associated with our Company since incorporation. He has 17 years of experience in the manufacturing sector. He was appointed as the Managing Director pursuant to a resolution passed by our board dated 29<sup>th</sup> February, 2024. He is currently responsible for the overall management and affairs of our Company, including devising investment strategies, developing industry networks for further business development, and overall development of the business of our Company.
2. **Mrs. Ronak Hitesh Dudhagara**, aged 41 years, has completed the second year of B.Sc. She is the Promoter and Woman Executive Director of our Company. She has been associated with our Company since incorporation. She has 8 years of experience in the manufacturing. She is actively involved in the day-to-day operations of the company and currently oversees and controls the overall commercial operations, including but not limited to formulating business strategies for our Company.
3. **Mr. Krish Dudhagara**, aged 18 years, is has completed his higher secondary from science stream. He has been associated with our Company since incorporation. His appointment reflects a strategic move towards succession planning and to ensure a collaborative approach towards going concern. He is not having any past experience. He was appointed as Non-Executive Director pursuant to a resolution passed by our board dated 29<sup>th</sup> February, 2024.

4. **Mr. Vishal Pansara**, aged 36 years, has completed Post Graduation in Marketing Management from Ahmedabad Management Association. He has approximately 15 years of experience in manufacturing and real estate sector. He was appointed as a Non-Executive Independent Director pursuant to a resolution passed by our board dated 29<sup>th</sup> February, 2024.
5. **Mr. Nikhil Malpani**, aged 33 years, is a Chartered Accountant. He has completed Bachelors of Commerce degree from Delhi University in the year 2013 and is a member of Institute of Chartered Accountants of India since 2019. He has 8 years of experience in corporate due diligence, GST filings, tax filings etc. He was appointed as a Non-Executive Independent Director pursuant to a resolution passed by our board dated 29<sup>th</sup> February, 2024.

**Confirmations:**

As on the date of this Draft Prospectus:

- a. None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Prospectus, whose shares has been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- b. None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.
- c. None of the Directors are categorized as a willful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations.
- d. None of our Directors is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.

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

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

**Service Contracts:**

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

**Details of Borrowing Powers of Directors:**

Pursuant to a special resolution passed at an Extra-ordinary General Meeting of our Company held on 22<sup>nd</sup> March, 2024 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company have authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid-up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 10,000 lacs.

**Compensation of our Managing Director & Whole-time Director:**

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

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

**1. Hitesh Dudhgara: Managing Director**

Pursuant to the resolution passed by our Shareholders meeting held on 29<sup>th</sup> February, 2024, Hitesh Pragajibhai Dudhgara was appointed as Managing Director for a period of five years with effect from 22<sup>nd</sup> March, 2024 at a remuneration, which is to be given by way of salary, dearness allowance, perquisites and other allowances or any other combination thereof which shall not exceed ₹ 100 lakhs p.a.

**Payments or benefits to Directors:**

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

Name of Director	Remuneration paid in F.Y. 2023-24 (₹ in lakhs)
Mr. Hitesh Pragajibhai Dudhgara	Nil
Mrs. Ronak Hitesh Dudhgara	Nil
Mr. Krish Dudhgara	Nil

**Bonus or Profit-Sharing Plan for our Directors:**

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

**Sitting Fees:**

The compensation payable to our Non-Executive Directors will be governed as per the terms of their appointment and shall be subject to the provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof).

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

Sr. No.	Name of the Directors	No. of Shares Held	Holding in % (pre-issue)
1.	Mr. Hitesh Pragajibhai Dudhgara	3,95,000	19.75%
2.	Mrs. Ronak Hitesh Dudhgara	3,95,000	19.75%
3.	Mr. Krish Dudhgara	2,000	0.1%
	<b>Total</b>	<b>7,92,000</b>	<b>39.6%</b>

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

Our directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our directors are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/ Members/ Partners. Further, our directors are also interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/ Members/ Partners and for the details of Personal Guarantee given by Directors towards Financial facilities of our Company please refer to **“Financial Indebtedness”** on page 208 of this Draft Prospectus.

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

### Interest of Directors in the property of Our Company:

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

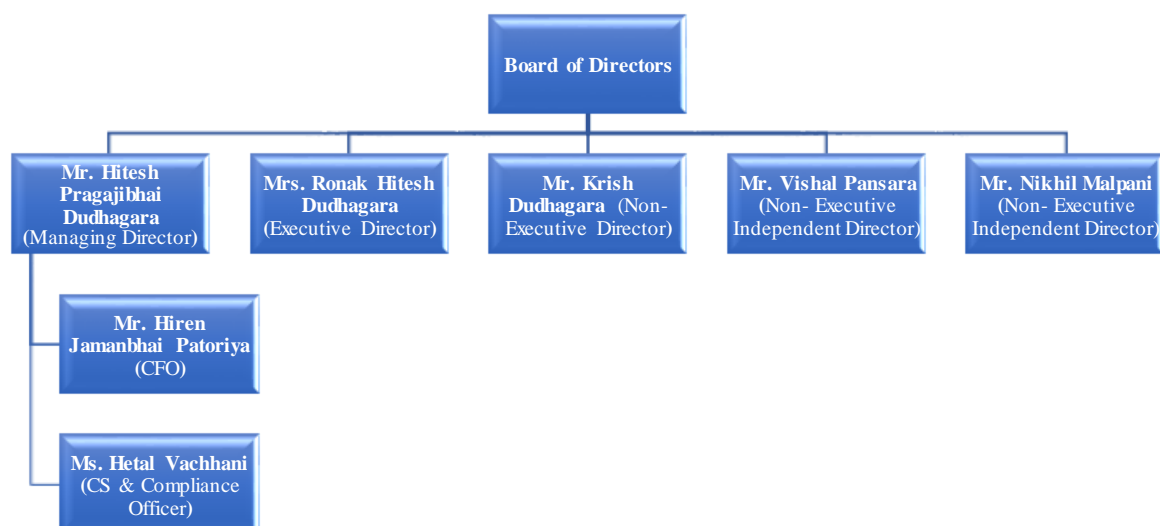
Except as stated in this section **“Our Management”** or the section titled **“Financial information of the Company Annexure-34- Related Party Disclosure”** beginning on page 128, and 153 respectively of this Draft Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

### Changes in Board of Directors in the Last 3 Years:

Name	Designation (at the time of appointment/Change in designation / Cessation)	Date of Appointment/ Change in designation/ Cessation	Reason
Mr. Vishal Pansara	Appointed as a Director	22 <sup>nd</sup> March,2024	To ensure better Corporate Governance and compliance with the Companies Act, 2013.
Mr. Nikhil Malpani	Appointed as a Director	22 <sup>nd</sup> March,2024	To ensure better Corporate Governance and compliance with the Companies Act, 2013.

### MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure:



### COMPLIANCE WITH CORPORATE GOVERNANCE

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

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

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

Our Company has formed the following committees:

#### **1. Audit Committee**

Our Company has constituted an Audit Committee, vide Board Resolution dated 17<sup>th</sup> June, 2024 as per the applicable provisions of the Section 177 of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) Rules, 2014 and Regulation 18 of SEBI Listing Regulations. The Audit Committee comprises following members:

<b>Name of the Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Mr. Nikhil Malpani	Chairman	Non- Executive Independent Director
Mr. Vishal Pansara	Member	Non- Executive Independent Director
Mr. Hitesh Pragajibhai Dudhagara	Member	Managing Director

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

##### **A. Tenure of the committee:**

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

##### **B. Meetings of the Committee:**

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

##### **C. Power of the Committee:**

The Audit Committee shall have powers, including the following:

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

##### **D. Role of the Committee:**

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

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;
- Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;

- 4) Approving payments to the statutory auditors for any other services rendered by the statutory auditors;
- 5) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and
  - Qualifications and modified opinions in the draft audit report.
- 6) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- 7) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ Draft Prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
- 8) Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- 9) Scrutiny of inter-corporate loans and investments;
- 10) Valuation of undertakings or assets of the Company, wherever it is necessary;
- 11) Evaluation of internal financial controls and risk management systems;
- 12) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- 13) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- 14) 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;
- 15) Discussing with internal auditors on any significant findings and follow up thereon;
- 16) 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;
- 17) Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 18) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 19) Reviewing the functioning of the whistle blower mechanism;
- 20) Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
- 21) Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;



- 22) Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- 23) Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

Further, the Audit Committee shall mandatorily review the following:

- 1) Management discussion and analysis of financial condition and results of operations;
- 2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- 3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4) Internal audit reports relating to internal control weaknesses;
- 5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- 6) statement of deviations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations;
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document/Draft Prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

## 2. Stakeholders Relationship Committee

Our Company has formed a Stakeholders Relationship Committee vide Board Resolution dated 17<sup>th</sup> June, 2024 as per the applicable provisions of the Section 178(5) of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 20 of SEBI Listing Regulations. The Stakeholders Relationship Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Nikhil Malpani	Chairman	Non- Executive Independent Director
Mr. Vishal Pansara	Member	Non- Executive Independent Director
Mr. Hitesh Pragajibhai Dudhagara	Member	Managing Director

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

### A. Tenure of the committee:

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

### B. Meetings of the committee:

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

### C. Terms of Reference:

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

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;

3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the company;
5. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized;
6. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
7. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
8. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/ dividend warrants, non-receipt of annual report and any other grievance/ complaints with Company or any officer of the Company arising out in discharge of his duties;
9. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them;
10. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time;
11. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting; and
12. Such roles as may be delegated by the Board and/ or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

### 3. Nomination and Remuneration Committee

Our Company has formed a Nomination and Remuneration Committee vide Board Resolution dated 17<sup>th</sup> June, 2024 as per the applicable provisions of the Schedule V and other applicable provisions of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 19 of SEBI Listing Regulations. The Nomination and Remuneration Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Nikhil Malpani	Chairman	Non- Executive Independent Director
Mr. Vishal Pansara	Member	Non- Executive Independent Director
Mr. Krish Dudhagara	Member	Non-Executive Director

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

#### A. Tenure of the committee:

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

#### B. Meetings of the committee:

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

#### C. Role of Terms of Reference:

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

1. formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2. For the appointment of an independent director, the committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. Consider the time commitments of the candidates.
3. formulation of criteria for evaluation of the performance of independent directors and the Board;
4. devising a policy on diversity of our Board;
5. identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
6. determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
8. recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
9. recommending to the Board, all remuneration, in whatever form, payable to senior management;
10. performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
11. engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
12. analyzing, monitoring and reviewing various human resource and compensation matters;
13. reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
14. framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - a. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
  - b. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and
15. Performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

## KEY MANAGERIAL PERSONNEL

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

Name, Designation & Educational Qualification	Age (Years)	Year of Joining	Remuneration paid for F.Y. 2022-23 (in ₹ Lakhs)	Overall experience (in years)	Previous/Current Employment
<b>Mr. Hitesh Pragajibhai Dudhagara</b> <b>Designation:</b> Managing Director <b>Educational Qualification:</b> Chartered Mechanical Engineer and Diploma Holder in Export Management - Engineering Specialisation <b>Term of office:</b> For a period of five years; liable to retire by rotation	44	2023	Nil	17 Years	Director at Narmadeshwar Metal Private Limited  Managing Director at Sprayking Limited
<b>Mrs. Ronak Hitesh Dudhagara</b> <b>Designation:</b> Director <b>Educational Qualification:</b> Second year B. Sc. <b>Term of office:</b> Liable to retire by rotation	41	2023	Nil	8 years	Director at Sprayking Limited  Director at Mechatronics Tools Limited
<b>Mr. Hiren Jamanbhai Patoriya</b> <b>Designation:</b> Chief Financial Officer <b>Educational Qualification:</b> B. Com	32	Designated as CFO on 29 <sup>th</sup> February, 2024	Nil	8 years	CA. Nishant Rabadia & Associates  CFO at Sprayking Limited
<b>Ms. Hetal Vachhani</b> <b>Designation:</b> Company Secretary and Compliance Officer <b>Educational Qualification:</b> Company Secretary	36	Designated As Company Secretary and Compliance officer on 29 <sup>th</sup> February, 2024	Nil	6 years	Gantara & Co.  R. K. Doshi & Co.  Jash Deal Mark and Devhari

## BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

**Mr. Hiren Jamanbhai Patoriya** is the Chief Financial Officer of our Company. He graduated with a Bachelor of Commerce in 2012. He has been associated with our Company since 2024. He has over 8 years of experience in strategic planning, financial planning and analysis. He has been appointed as Chief Financial Officer of our Company with

effect from 29<sup>th</sup> February, 2024. He is currently responsible for handling the accounts, finance, and management of the Company.

**Ms. Hetal Vacchani** is the Company Secretary and Compliance officer of our Company. She is an Associate member of the Institute of Company Secretaries of India. She has around 6 years of experience in secretarial compliance and ROC filings. She was previously associated with D. Gantara & Co., R. K. Doshi & Co., and Jash DealMark and Devhari. She is responsible for the Secretarial and Compliance division of our Company.

We confirm that:

- i. All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- ii. 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.
- iii. None of our KMPs except Hitesh Pragajibhai Dudhagara and Ronak Hitesh Dudhagara are a part of our Board of Directors.
- iv. In respect of all above-mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the period ended March 2023.
- v. Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- vi. Our Company does not have any bonus/ profit sharing plan for any of the Key Managerial Personnel.
- vii. None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Draft Prospectus except:

Sr. No.	Name of the KMP's	No. of Shares held
1	Mr. Hitesh Pragajibhai Dudhagara	3,95,000
2	Mrs. Ronak Hitesh Dudhagara	3,95,000
	<b>Total</b>	<b>7,90,000</b>

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

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

Sr. No.	Name of the Director/ KMP	Relationship with other Directors/ KMP's
1.	Mr. Hitesh Pragajibhai Dudhagara	Husband of Ronak Hitesh Dudhagara and Father of Krish Dudhagara
2.	Mrs. Ronak Hitesh Dudhagara	Wife of Hitesh Pragajibhai Dudhagara and Mother of Krish Dudhagara
3.	Mr. Krish Dudhagara	Son of Hitesh Pragajibhai Dudhagara and Ronak Hitesh Dudhagara

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

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

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

#### **Changes in the Key Managerial Personnel in last three years:**

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

Name	Designation (at the time of appointment/ Change in designation / Cessation)	Date of Appointment/ Change in designation/ Cessation	Reason
Mr. Hiren Jamanbhai Patoriya	Appointed as Chief Financial Officer	29 <sup>th</sup> February, 2024	To ensure better Corporate Governance and compliance with the Companies Act, 2013.
Ms. Hetal Vacchani	Appointed as Company Secretary and Compliance Officer	29 <sup>th</sup> February, 2024	To ensure better Corporate Governance and compliance with the Companies Act, 2013.

### Interest of Our Key Managerial Persons

Apart from the shares held in the Company and to extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our key managerial personal are interested in our Company. For details, please refer section titled “*Financial information of the Company – Annexure-34- Related Party Disclosures*” beginning on page 151 of this Draft Prospectus.

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

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

### Details of Service Contracts of the Key Managerial Personnel

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

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

For details of unsecured loan taken from or given to our Directors/ KMPs and for details of transaction entered by them in the past please refer to “*Annexure-34 -Related Party Disclosures*” page 151 of this Draft Prospectus.

### ESOP/ ESPS SCHEME TO EMPLOYEES

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

## **OUR PROMOTERS AND PROMOTER GROUP**



### **OUR PROMOTERS:**

The Promoters of our Company as on the date of this Draft Prospectus are :

1. Hitesh Pragajibhai Dudhagara
2. Ronak Hitesh Dudhagara
3. Sprayking Limited (Formerly known as Sprayking Agro Equipment Limited)

As on date of this Draft Prospectus, the Promoters, in aggregate, hold 19,90,000 Equity shares of our Company, representing 99.50 % of the pre-issue paid-up Equity Share capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – History of the Equity Share Capital held by our Promoters*", on page 65 of this Draft Prospectus.

### **Details of our Promoters:**

	<b>Hitesh Pragajibhai Dudhagara – Promoter and Managing Director</b>	
	<b>Qualification</b>	Chartered Mechanical Engineer and Diploma in Export Management – Engineering Specialisation
	<b>Age</b>	44
	<b>Date of Birth</b>	October 13, 1979
	<b>Address</b>	Gangotri, Raghuvir Society, Janta Fatak, Street no. 2, Indira road, Jamnagar – 361004.
	<b>Experience</b>	17 years
	<b>Occupation</b>	Business
	<b>PAN</b>	ADDPP9312J
	<b>No. of Equity Shares and Percentage of shareholding (Pre-Issue)</b>	3,95,000 equity shares which constitutes 19.75% of Pre-issue shareholding
	<b>Other Ventures</b>	<b>Companies:</b> 1. Narmadesh Metal Private Limited 2. Sprayking Limited <b>LLP:</b> Nil <b>HUF:</b> Patel Hitesh Pragajibhai Huf <b>Partnership Firm:</b> Nil
	<b>Ronak Hitesh Dudhagara – Promoter and Executive Director</b>	
	<b>Qualification</b>	Second year B. Sc.
	<b>Age</b>	41 years
	<b>Date of Birth</b>	January 09, 1983
	<b>Address</b>	Gangotri, Raghuvir Society, Janta Fatak, Street no. 2, Indira road, Jamnagar – 361004.
	<b>Experience</b>	8 years
	<b>Occupation</b>	Business
	<b>PAN</b>	AHKPD5893K
	<b>No. of Equity Shares and Percentage of shareholding (Pre-Issue)</b>	3,95,000 equity shares which constitutes 19.75% of Pre-issue shareholding
	<b>Other Ventures</b>	<b>Companies:</b> 1. Mechatronics Tools Limited 2. Sprayking Limited <b>LLP:</b> Nil <b>HUF:</b> Patel Hitesh Pragajibhai Huf <b>Partnership Firm:</b> Nil



For brief biography of our Individual Promoters, please refer to Chapter titled “**Our Management**” beginning on page 128 of this Draft Prospectus.

### ***Sprayking Limited***

#### **Corporate Information:**

Sprayking Limited, was formerly known as “Sprayking Agro Equipment Limited”. The Company was incorporated on February 17, 2005 as a public limited company under the Companies Act, 1956. Its registration number is 045508. As on the date of this Draft Prospectus, Sprayking Limited is primarily engaged in the business of manufacturing all kinds of Agriculture parts. There have been no changes to the primary business activities undertaken by Sprayking Limited.

The registered office of Sprayking Limited is located at Plot No. 4009 & 4010, GIDC, Phase III, Dared Jamnagar, Udyognagar, Kalavad – 361004, Gujarat, India.

Our Company confirms that the permanent account number, bank account number, the Company Registration Number and the address of the Registrar of Companies where Sprayking Limited is registered shall be submitted to the Stock Exchanges at the time of filing this Draft Prospectus.

#### ***Shareholding Pattern***

As on the date of this Draft Prospectus, the authorised share capital of Sprayking Limited is ₹16,00,00,000. The issued and paid-up share capital of Sprayking Limited, as on the date of this Draft Prospectus is ₹10,56,79,460 divided into 5,28,39,730 equity shares of face value of ₹2 each.

The following table sets forth details of the shareholding pattern of Sprayking Limited, as on the date of this Draft Prospectus:

Sr. No.	Name of shareholder	Number of shares held	Percentage (%) of shareholding
1.	Hitesh Pragajibhai Dudhagara	97,63,915	18.48%
2.	Ronak Hitesh Dudhagara	26,35,580	4.99%
3.	Pragajibhai Meghajibhai Patel	39,27,905	7.43%
4.	Parvatiben Pragajibhai Dudhagara	11,34,165	2.15%
5.	Bhavika Pragajibhai Dudhagara	50,000	0.09%
6.	Kalpanaben Ravibhai Dholariya	50,000	0.09%
7.	Patel Hitesh Pragajibhai HUF	16,78,165	3.18%
8.	Public	3,36,00,000	63.59%
<b>Total</b>		<b>5,28,39,730</b>	<b>100%</b>

#### ***Board of directors***

The board of directors of Sprayking Limited as on the date of this Draft Prospectus are as under:

Our Company confirms that the permanent account number, bank account number(s), company registration number and the address of the registrar of companies where Sprayking Limited is registered, will be submitted to the Stock Exchanges at the time of filing the Draft Prospectus.

#### ***Change in control***

The promoters of Sprayking Limited are Pragajibhai Patel, Hitesh Pragajibhai Dudhagara and Ronak Hitesh Dudhagara. There has been no change in the control of Sprayking Limited in the last three years preceding the date of this Draft Prospectus.

#### **Confirmations/Declarations:**

In relation to our Promoters, our Company confirms that the PAN, Bank Account Numbers, and Passport Number shall be submitted to NSE at the time of filing of this Draft Prospectus.

#### **Undertaking/ Confirmations**

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

1. 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,



2. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
3. 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.
4. 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.
5. 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 218 of this Draft Prospectus.
6. None of our Promoters, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

### **Interest of our Promoters:**

#### ***1. Interest in promotion and shareholding of Our Company:***

Our Promoters are interested in the promotion of our Company and also to the extent of their shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by them and their relatives. As on the date of this Draft Prospectus, our Promoters, Mr. Hitesh Pragajibhai Dudhagara, Mrs. Ronak Hitesh Dudhagara and Sprayking Limited collectively holds 19,90,000 Equity Shares in our Company i.e. 99.50 % of the pre-issue paid up Equity Share Capital of our Company. They are a member of our Company as a shareholder. As our Promoters are the Directors and Key Managerial Personnel of our Company, they may also be deemed to be interested to the extent of the remuneration, as per the terms of their appointment and reimbursement of expenses payable to them for the rent, purchase and sale transactions. For details, please refer to “***Related Party Transactions***” beginning on page 151 of this Draft Prospectus. For details regarding the shareholding of our Promoters in our Company, please see “***Capital Structure***” on page 65 of this Draft Prospectus.

#### ***2. Interest in the property of Our Company:***

Our Promoters are deemed to not have interest in any property acquired by our Company in a period of two years before filing of this Draft Prospectus or proposed to be acquired by us as on date of this Draft Prospectus.

#### ***3. In transactions for acquisition of land, construction of building and supply of machinery***

Our Promoters may be deemed to not have an interested in any transaction for the acquisition of land, construction of building or supply of machinery.

#### ***4. Other Interests in our Company***

*For transactions in respect of loans and other monetary transactions entered in past please refer “***Related Party Transactions***” on page 151 forming part of “***Financial Information***” of this Draft Prospectus.*

Further, our promoters may be interested to the extent of personal guarantees given by them in favour of the Company, for the details of Personal Guarantee given by Promoters towards Financial facilities of our Company please refer to “***Financial Indebtedness***” and “***Financial Information***” on pages 208 and 153 respectively of this Draft Prospectus.

### **Payment or Benefits to our Promoter and Promoter Group during the last two years:**

For details of payments or benefits paid to our Promoter and promoter group, please refer to the paragraph “***Compensation of our Managing Director***” in the chapter titled “***Our Management***” beginning on page 128 also refer “***Related Party Transactions***” on page 151 forming part of “***Financial Information***” and Paragraph on “***Interest of Promoter***” in chapter titled “***Our Promoter and Promoter Group***” on page 142 of this Draft Prospectus.

### **Companies/Firms with which our Promoters have disassociated in the last three years**

Except as disclosed below, None of our Promoters have disassociated themselves from any of the Company, Firms or other entities during the last three years preceding the date of this Draft Prospectus.

Name	Company/LLP	Date of Resignation
Mr. Hitesh Pragajibhai Dudhagara	Jamnagar Copper Alloy Components LLP	January 17, 2023

### **Other ventures of our Promoter**

Save and except as disclosed above, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

### **Litigation details pertaining to our Promoter**

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 218 of this Draft Prospectus.

### **Experience of Promoters in the line of business**

Our Promoters, Hitesh Pragajibhai Dudhagara has an experience of 17 years and Ronak Hitesh Dudhagara has an experience of around 8 years in the Brass Industry sector. The Company shall also endeavour to ensure that relevant professional help is sought as and when required in the future.

### **Related Party Transactions**

Except as stated in “*Related Party Transactions*” beginning on page 151 of this Draft Prospectus, and as stated therein, our Promoter or any of the Promoter Group Entities do not have any other interest in our business.

### **OUR PROMOTER GROUP**

As per regulation 2(1)(pp) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, we confirm that following persons are part of promoter group:

- a. **Natural persons i.e., an immediate relative of the promoter (i.e., any spouse of that person, or any parent, brother, sister or child of the person or of the spouse);**

Relation	Mr. Hitesh Pragajibhai Dudhagara	Mrs. Ronak Hitesh Dudhagara
<b>Father</b>	Mr. Pragajibhai Dudhagara	Mr. Gajera Ramniklal Shamji
<b>Mother</b>	Mrs. Dudhagara Parvatiben Pragjibahi	Mrs. Gajera Manjula Ramnik
<b>Spouse</b>	Mrs. Ronak Hitesh Dudhagara	Mr. Hitesh Pragajibhai Dudhagara
<b>Brother</b>	-	Mr. Gajera Jemin Ramniklal
<b>Sister</b>	Mrs. Kalpana Ravibhai Dholariya Mrs. Bhavikaben Vipulbhai Savaliya	Mrs. Darshanaben Moliya
<b>Son</b>	Mr. Dudhagara Krish	Mr. Dudhagara Krish
<b>Daughter</b>	Ms. Naitry Patel (Minor)	Ms. Naitry Patel (Minor)
<b>Spouse's Father</b>	Mr. Gajera Ramniklal Shamji	Mr. Pragajibhai Dudhagara
<b>Spouse's Mother</b>	Mrs. Gajera Manjula Ramnik	Mrs. Dudhagara Parvatiben Pragjibahi
<b>Spouse's Brother</b>	Mr. Gajera Jemin Ramniklal	-
<b>Spouse's Sister</b>	Mrs. Darshanaben Moliya	Mrs. Kalpana Ravibhai Dholariya Mrs. Bhavikaben Vipulbhai Savaliya

**b. Companies related to our Promoter Company:**

Nature of Relationship Name of Entities	Name of Entities
Subsidiary or holding company of Promoter Company.	-
Any Body corporate in which Promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the Promoter (Body Corporate).	-

**c. Companies, Proprietary concerns, HUFs related to our Promoter**

Serial No.	Nature of Relation	Name of entities
1.	Any Body Corporate in which 20% or more of the Equity Share Capital is held by Promoter or an immediate relative of the Promoter or a firm or Hindu Undivided Family (HUF) in which Promoter or any one or more of his immediate relatives are a member.	<ul style="list-style-type: none"><li>• Mechatronics Tools Limited</li><li>• Narmadeshwar Metal Private Limited</li></ul>
2.	Any Body Corporate in which a body corporate as provided in (A) above holds 20% or more, of the equity share capital; and	Nil
3.	Any Hindu Undivided Family or firm in which the aggregate share of the promoter and their relatives is equal to or more than 20% of the total capital.	Patel Hitesh Pragjibhai HUF

**d. All persons whose shareholding is aggregated under the heading "Shareholding of the Promoter Group":**

None of other persons forms part of promoter group for the purpose of shareholding of the Promoter Group under Regulation 2(1) (pp)(v) of SEBI (ICDR) Regulations 2018.

## **OUR GROUP COMPANIES**

As per the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Companies, our Company has considered those companies as our Group companies with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and stub period and other Companies as considered material by our Board. Further, pursuant to a resolution of our Board dated 17<sup>th</sup> June, 2024 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 fulfils both the below mentioned conditions:

- i. Such company that forms part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations; and
- ii. Our Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10.00% of total revenue of the company as per Restated Financial Statements.

Based on the above, the following Companies are identified as our Group Companies:

1. Mechatronics Tools Limited
2. Narmadeshwar Metal Private Limited

### **Details of our Group Companies:**

#### **1. Mechatronics Tools Limited**

##### **Brief Corporate Information**

Mechatronics Tools Limited was incorporated on February 19, 2024 under the Companies Act, 2013 pursuant to fresh certificate of incorporation issued by Registrar of Companies, Central Registration Centre.

The CIN of MTL is U28229GJ2024PLC148807. The Registered office of MTL is situated at Shop No.4, Plot no. 237B, GIDC Phase - II, Dared, Udyognagar, Jamnagar, Kalavad, Gujarat, India, 361004.

##### **Current Nature of Activities / Business Activities**

MTL is currently engaged in the business of Manufacture of metal-forming machinery and machine tools n.e.c

##### **Board of Directors**

As on date of this Draft Prospectus, the following are the Directors of MTL:

Sr No	Name	Designation	DIN
1	Krish Dudhagara	Director	10373692
2	Ronak Hitesh Dudhagara	Director	05238631
3	Manishaben Mukeshbhai Sakariya	Director	10513794

##### **Capital Structure**

As on the date of this Draft Prospectus, the authorised share capital of MTL is ₹ 50,00,000 divided into 500000 Equity Shares of ₹ 10/- each. The issued, subscribed and paid-up Equity share capital of MTL is ₹ 10,00,000 divided into 100000 Equity Shares of ₹ 10/- each.

##### **Shareholding Pattern**

The shareholding pattern of MTL as on the date of this Draft Prospectus is mentioned below:

Sr No	Shareholder Name	No. of Equity Shares	Percentage (%)
1	Krish Dudhagara	2000	2
2	Ronak Hitesh Dudhagara	16000	16
3	Manishaben Mukeshbhai Sakariya	16000	16
4	Hitesh Pragajibhai Dudhagara	16000	16
5	Akash Bharatbhai Desai	16000	16

6	Reshma Akash Desai	17000	17
7	Mukeshbhai Gopalbhai Sakariya	17000	17

The face value of Equity Shares is ₹10/- each.

#### **Nature and extent of interest of our Promoter**

Our promoters hold 32% Equity Shares in MTL. Further, our promoter namely Ronak Hitesh Dudhagara also hold directorship in MTL.

## **2. Narmadeshwar Metal Private Limited**

### **Brief Corporate Information**

Narmadeshwar Metal Private Limited was incorporated on September 20, 2021 under the Companies Act, 2013 pursuant to fresh certificate of incorporation issued by Registrar of Companies, Central Registration Centre.

The CIN of NMPL is U28994GJ2021PTC125722. The Registered office of NMPL is situated at Survey No 433 Plot No 3/4, Shree Ganesh Industrial Hub, Lalpur Road, Village Changa, Jamnagar, Gujarat, India, 361006.

### **Current Nature of Activities / Business Activities**

NMPL is currently engaged in the business of manufacture and deal in bars, rods, plates, sheets, utensils, vessels, etc. of any kind or description of copper, brass, zinc, lead, metal, iron, steel and any other kind of ferrous or non-ferrous metal, and rolling works; and produce all types of dies, moulds, jigs, bearings, fixtures, nuts, screws, pumps, rollers cases, shafts, lathes, grinders, axes, spades, and other tools casting of all description and types, whether of steel, iron, copper, bronze, lead, zinc, aluminium, or any other ferrous or non-ferrous metal or alloys.

### **Board of Directors**

As on date of this Draft Prospectus, the following are the Directors of NMPL:

Sr No	Name	Designation	DIN
1	Hitesh Dudhagara	Director	00414604
2	Tarun Surendra Tiwari	Director	08811201

### **Capital Structure**

As on the date of this Draft Prospectus, the authorised share capital of NMPL is ₹ 50,00,000 divided into 500000 Equity Shares of ₹ 10/- each. The issued, subscribed and paid-up Equity share capital of NMPL is ₹ 30,00,000 divided into 300000 Equity Shares of ₹ 10/- each.

### **Financial Information**

The brief financial details of NMPL derived from its audited financial statements for Fiscals 2023 and 2022 are set forth below:

Particulars	For the Financial Year Ended on	
	March 31, 2023	March 31, 2022
Equity Share Capital	30,00,000	30,00,000
Reserve & Surplus	(2,000)	(1,72,000)
Net worth	29,98,000	28,28,000
Total Revenue (including other income)	2,45,35,000	-
Profit / (Loss) after tax	1,70,000	(1,72,000)
Earnings per Share (face value of ₹ 10/- each)	0.57	(0.57)
Diluted Earnings per Share (face value of ₹ 10/- each)	0.57	(0.57)

Net Asset value per share (₹)	9.99	9.43
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### Shareholding Pattern

The shareholding pattern of NMPL as on the date of this Draft Prospectus is mentioned below:

Sr No	Shareholder Name	No. of Equity Shares	Percentage (%)
1	Hitesh Pragjibhai Dudhagara	1,50,000	50
2	Ronak Hitesh Dudhagara	1,50,000	50

The face value of Equity Shares is ₹10/- each.

### Nature and extent of interest of our Promoter

Our promoters hold 100% Equity Shares in NMPL. Further, our promoter namely Hitesh Pragjibhai Dudhagara also hold directorship in NMPL.

### Financial Information

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, basic earnings per share, diluted earnings per share and Net Asset Value, derived from the latest audited financial statements available on a standalone basis of our group companies are available on the website of our company at <https://narmadeshbrass.com/index.html>.

It is clarified that such details available on our group companies' websites do not form a part of this Draft Prospectus. Anyone placing reliance on any other source of information, including our Group Companies' website, as mentioned above, would be doing so at their own risk.

### Litigations

Our Group Companies does not have any pending litigation which can have a material impact on our Company.

### Common pursuits among Group Companies

Mechatronics Tools Limited and Narmadeshwar Metal Private Limited are engaged in the business of dealing in all kinds of ferrous and non-ferrous metals including Brass other related products, which is similar line of business as of our Company. Our Company will ensure necessary procedures and practices as permitted by laws and regulatory guidelines to address situations of conflict of interest as and when they arise. For further details, see "**Risk Factor**" on page 29 of this Draft Prospectus.

### Nature and Extent of Interest of Group Companies

#### a) In the promotion of our Company:

None of the company has interest in the promotion of our Company.

#### b) In the properties acquired or proposed to be acquired by our Company in the past two years before filing the Draft Prospectus with stock exchange:

Our Group Companies does not have any interest in the properties acquired or proposed to be acquired by our Company in the past two years before filing the Draft Prospectus with Stock Exchange.

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

None of our Group Companies have any interest in any transactions for the acquisition of land, construction of building or supply of machinery.

### **Related business transactions and their significance on the financial performance of our Company**

Other than the transactions disclosed in the section “*Restated Financial Statements-Related Party Transactions*” on page 151 of this Draft Prospectus, there are no related business transactions between the Group Companies and our Company.

### **Business interest of our Group Companies in our Company**

Except as disclosed in the section “*Other Financial Information–Related Party Transactions*” and “*History and certain Corporate Structure*” on page 153 and page 118 of this Draft Prospectus, our Group Companies have no business interests in our Company.

### **Other confirmations**

- a) None of the above-mentioned Group Companies has made any public and/ or rights issue of securities in the preceding three years.
- b) None of the above-mentioned Group Companies are in defaults in meeting any Statutory/ bank/ institutional dues and no proceedings have been initiated for economic offences against any of the Group Companies.
- c) Our Group Companies has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

### **Undertaking/ Confirmations by our Group Companies**

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

- i. Prohibited 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
- ii. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters, person in control of our Company have ever been a Promoters, 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 relatives of our individual Promoters (as defined under the Companies Act) nor our Group companies/ Promoter Group entities have been declared as a wilful defaulter or economic offender by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

The information as required by the SEBI ICDR Regulations with regards to the Group companies, are also available on the website of our company i.e., <https://narmadeshbrass.com/index.html>.

### **RELATED PARTY TRANSACTIONS**

For details on Related Party Transactions of our Company, please refer to 'Note 34: Statement of Related Parties' Transactions' in the chapter titled '*Restated Financial Statements*' beginning on page no. 153 of this Draft Prospectus.



## **DIVIDEND POLICY**

The declaration and payment of dividends, if any, will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited, consolidated net operating profit after tax, working capital requirements, capital expenditure requirements, cashflow required to meet contingencies, outstanding borrowings, and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. As on the date of this Draft Prospectus, our Company does not have a formal dividend policy.

Upon the listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

Our Company has not declared any dividends during the last three Financial Years. Further, our Company has not declared any dividend in the current Fiscal. There is no guarantee that any dividends will be declared or paid. For details in relation to the risk involved, see “*Risk Factor*” on page 29 of this Draft Prospectus.

## SECTION VI – FINANCIAL INFORMATION

### **RESTATED FINANCIAL STATEMENT**

Sr. No.	Details	Page Number
1.	Restated Financial Statement	154 to 207

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

## Independent Auditor's Examination Report on Restated Financial statements

To,  
**The Board of Directors,**  
**Narmadesh Brass Industries Limited**  
Plot No. 5, 8 & 9, SN 433,  
Shree Ganesh Industrial hub, Changa,  
Jamnagar  
Gujarat, India 361012

Dear Sir/Ma'am,

1. We have examined the attached Restated financial statements and other financial information of **Narmadesh Brass Industries Limited**, (formerly known as **Narmada Brass Industries**, *erstwhile Partnership Firm*) (the "Company") as at and for the year ended on March 31, 2024, March 31, 2023 and March 31, 2022 and for the period ended October 29, 2023 annexed to this report and prepared by the Company for the purpose of inclusion in the Draft Prospectus / Prospectus (being collectively referred as "Offer Document") in connection with its proposed Initial Public Offer ("IPO") on the Emerge Platform of the NSE Limited ("NSE").
2. The said Restated Financial statements and other Financial Information have been prepared in accordance with the requirements of :
  - i) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
  - iii) The Guidance Note on Reports in Company Draft Prospectus / Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("ICAI") ("Guidance Note");
  - iv) The applicable regulation of SEBI (ICDR) Regulations, 2018, as amended, and as per Schedule VI (Part A) (11) (II) of the said Regulations.

The Company's Board of Directors is responsible for the preparation of the Restated Financial Statement & other Financial information for the purpose of inclusion in the Draft Prospectus / Prospectus to be filed with Securities and Exchange Board of India, relevant stock exchanges and Registrar of Companies, Ahmedabad in connection with the proposed IPO. The Board of Directors responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

We have examined the accompanied the 'Restated Statement of Assets and Liabilities' (Annexure- 1), 'Restated Statement of Profit and Loss' (Annexure – 2), "Restated Statement of Cash Flows" (Annexure 3), "Restated Statement of Changes in Equity" (Annexure – 4) for the financial years ended on March 31, 2024, March 31, 2023, March 31 2022 and period ended on October 29, 2023, as on above dates, forming Part of the 'Financial Information' dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies (**Annexure – 5**) thereon, which are the responsibility of the Company's management. The information has been extracted from the financial statements of the company/firm for the financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022 and for the period ended October 29, 2023. The Financial statements of the company for the financial year ending on March 31, 2022 and March 31, 2023 are audited by **M/s. S D R P & Associates**, Chartered Accountants, and the financials for the stubbed period October 30, 2023 and year ended March 31, 2024 are audited by **M/s. B B Gusani & Associates**, Chartered Accountants, being the Statutory Auditor of the Company (Peer Review), which were approved by the Board of Directors as on that date and upon which we have placed our reliance while reporting.

3. In terms of Schedule VI (Part A)(11)(II)(A)(i) of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts of **Narmadesh Brass Industries Limited**, we, M/s. **B B Gusani & Associates**, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.
4. Based on our examination, we report that:
  - a. The “Restated Financial Statement of Assets and Liabilities” as set out in **Annexure 1**, Restated Financial Statement of Profit and Loss” as set out in **Annexure 2**, “Restated Financial Statement of Cash Flows” as set out in **Annexure 3**, “Restated Financial Statement of Changes in Equity” as set out in **Annexure 4** to this report, of the Company as at October 29, 2023, March 31, 2024, March 31, 2023 and March 31, 2022 is prepared by the Company and approved by the Board of Directors. These Restated Financial statements have been arrived at after making such adjustments and regroupings to the Financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies as set out in **Annexure 5** & and Notes to Accounts to this Report.
  - b. We have examined such Restated Financial Information taking into consideration:
    - i. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated March 01, 2024 in connection with the proposed IPO of equity shares of the Company.
    - ii. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
    - iii. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Financial Information; and
    - iv. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed IPO of equity shares of the Company.
  - c. These Restated Financial Information have been compiled by the management from:
    - i. Audited financial statements of company as at and for the stub period ended on December 31, 2023 prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India.
    - ii. Audited Financial Statement for the stub period ended on October 29, 2023, & for financial year ended March 31, 2024, March 31, 2023 & March 31, 2022 prepared in accordance with the Accounting Principles generally accepted in India by making adjustments for Ind AS as applicable to corporates to the audited financial statements have been approved by the board of directors.
5. The Restated Financial Statements have been made after incorporating adjustments for:
  - i. The changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting period /years.
  - ii. Prior period and other material amount in the respective financial years to which they relate.
  - iii. do not contain any extra ordinary items that need to be disclosed separately other than those presented in the Restated Financial Statement and do not contain any qualification requiring adjustments;
  - iv. Restated Summary Statement of Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Accounts to this report;
  - v. Adjustments in Restated Summary Statements have been made in accordance with the correct accounting

- policies;
  - vi. There are no revaluation reserves, which need to be disclosed separately in the Restated Financial statements;
  - vii. The Company had not paid dividend for the financial year ended on March 31, 2024, 2023 and 2022 and for the period ended October 29, 2023.
- d. The audit reports on the Financial statements/tax audit report of the Company/firm as at and for years ended March 31, 2024, March 31, 2023 and March 31, 2022 and for the stubbed period October 29, 2023 as referred in paragraph 3 above, There is no qualification of us & previous tax auditor for the Financial Statement.
- i. Other remarks/comments in the Companies (Auditor's Report) Order, 2016 & 2020 respectively ("the Order"), as amended, issued by the Central Government of India in terms of sub - section (11) of section 143 of the act, on Financial statements of the company for the financial years ended March 31, 2024, 2023 and 2022 and for the period ended October 29, 2023 as mentioned in report.
6. At the request of the company, we have also examined the following financial information ("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:

Annexure of Restated Financial statements of the Company:-

- i. Statement of Property, Plant and Equipment, as restated (Annexure -6)
- ii. Statement of Non-Current Investments, as restated (Annexure – 7)
- iii. Statement of Non-Current Loan, as restated (Annexure – 8)
- iv. Statement of Inventories, as restated (Annexure - 9)
- v. Statement of Trade Receivables, as restated (Annexure - 10)
- vi. Statement of Cash and Cash Equivalents, as restated (Annexure - 11)
- vii. Statement of Current Assets Loans, as restated (Annexure - 12)
- viii. Statement of Other Current Assets, as restated (Annexure - 13)
- ix. Statement of Contingent Liabilities, as restated (Annexure - 14)
- x. Statement of Equity Share Capital/Partner's Capital, as restated (Annexure – 15)
- xi. Statement of Other Equity, as restated (Annexure - 16)
- xii. Statement of Non Current Borrowings, as restated (Annexure - 17)
- xiii. Statement of Deferred tax liabilities, as restated (Annexure - 18)
- xiv. Statement of Current Borrowings, as restated (Annexure - 19)
- xv. Statement of Nature and terms of repayment for borrowings, as restated (Annexure – 17.1)
- xvi. Statement of Trade Payables, as restated (Annexure - 20)
- xvii. Statement of Other Current Liabilities, as restated (Annexure - 21)
- xviii. Statement of Current tax Liabilities, as restated (Annexure - 22)
- xix. Statement of Provisions, as restated (Annexure - 23)
- xx. Statement of Contingent Liabilities and Commitments, as restated (Annexure - 24)
- xxi. Statement of Revenue from Operations, as restated (Annexure – 25)
- xxii. Statement of Particular of Sale of Products/Services, as restated (Annexure – 25.1)
- xxiii. Statement of Other Income, as restated (Annexure - 26)
- xxiv. Statement of Details of Other Income, as restated (Annexure – 26.1)
- xxv. Statement of Cost of Material Consumed, as restated (Annexure - 27)
- xxvi. Statement of Changes In Inventories of Stock In Trade, as restated (Annexure - 28)
- xxvii. Statement of Employee Benefit Expenses, as restated (Annexure - 29)
- xxviii. Statement of Finance Cost, as restated (Annexure - 30)
- xxix. Statement of Depreciation and Ammortization, as restated (Annexure – 31)
- xxx. Statement of Other Expenses, as restated (Annexure – 32)

- xxxi. Statement of Prior period adjustment, as restated ( Annexure – 32.1)
  - xxxii. Statement of Payment to Auditor, as restated ( Annexure – 32.2)
  - xxxiii. Statement of Reconciliation of Restated profit (Annexure – 33)
  - xxxiv. Statement of Related Party Transactions, as restated (Annexure - 34)
  - xxxv. Statement of Summary Accounting Ratios, as restated (Annexure - 35)
  - xxxvi. Statement of Tax Shelter, as restated ( Annexure - 36)
  - xxxvii. Statement of Capitalization, as restated (Annexure - 37)
  - xxxviii. Statement of Ratio Analysis, as restated (Annexure - 38)
- 
- 7. In our opinion, the Restated Financial statements and the other Financial Information set forth in Annexure 1 to 38 read with the significant accounting policies and notes to the restated Financial statements have been prepared in accordance with section 26 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI). We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.
  - 8. Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the financial information may not necessarily be the same as those appearing in the respective audited Financial statements for the relevant years.
  - 9. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the Financial statements referred to therein.
  - 10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
  - 11. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP, RHP and Prospectus to be filed with SEBI, Stock Exchanges and ROC in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.
  - 12. In our opinion and to the best of our information and according to the explanations given to us, the restated financial statements read together with the notes thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.

**For B B Gusani & Associates,  
Chartered Accountants  
FRN: 140785W**

**CA Bhargav Gusani  
Proprietor  
Membership No: 120710  
Place: Jamnagar  
Date: 10-07-2024  
UDIN: 24120710BJZWDQ7767**

RESTATED STATEMENT OF ASSETS & LIABILITIES						
(Rs. In Lakhs)						
Particulars		Anne- xure No.	As at 31st March 2024	As at 29th October 2023	As at 31st March 2023	As at 31st March 2022
<b>I</b>	<b>ASSETS</b>					
<b>1</b>	<b>Non-current assets</b>					
	(a) Property Plant and Equipment's	6	1045.67	1049.83	728.72	528.77
	(b) Capital work-in-progress		-	-	-	-
	(c) Investment Property		-	-	-	-
	(d) Goodwill		-	-	-	-
	(e) Other Intangible assets		-	-	-	-
	(f) Biological Assets other than bearer plants		-	-	-	-
	<b>Total</b>		<b>1045.67</b>	<b>1049.83</b>	<b>728.72</b>	<b>528.77</b>
	(g) Financial Assets					
	i. Investments	7	-	6.42	6.42	6.42
	ii. Trade Receivables		-	-	-	-
	iii. Loan	8	67.21	67.01	78.71	64.64
	(h) Deferred Tax Assets		-	-	-	-
	(i) Other Non-Current Assets		-	-	-	-
<b>2</b>	<b>Current assets</b>					
	(a) Inventories	9	1537.78	1115.97	1051.70	1276.61
	(b) Financial Assets					
	i. Investments		-	-	-	-
	ii. Trade Receivables	10	689.58	833.65	222.58	339.81
	iii. Cash and cash equivalents	11	226.91	1.24	1.57	7.24
	iv. Bank balance other than(iii) above	-	-	-	-	-
	v. Loan	12	99.42	74.31	149.14	234.93
	(c) Current Tax Assets (Net)	13	-	-	-	7.17
	(d) Other Current Assets	14	1021.79	1457.01	25.12	2.65
	<b>Total</b>		<b>4688.36</b>	<b>4605.44</b>	<b>2263.96</b>	<b>2468.25</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>					
<b>1</b>	<b>Equity</b>					
	(a) Share capital/Partner's Fixed Capital	15	200.00	200.00	891.59	331.71
	(b) Other Equity	16	387.19	1257.30	-	-

	<b>Liabilities</b>					
<b>2</b>	<b>Non-current liabilities</b>					
	(a) Financial Liabilities					
	i. Borrowings	17	92.33	153.15	103.94	107.57
	ii. Trade Payables	-	-	-	-	-
	iii. Other Financial Liabilities	-	-	-	-	-
	(b) Provisions	-	-	-	-	-
	(c) Deferred tax liabilities (Net)	18	142.86	129.74	33.88	23.35
	(d) Other non-current liabilities		-	-	-	-
<b>3</b>	<b>Current liabilities</b>					
	(a) Financial Liabilities					
	i. Borrowings	19	2529.77	817.58	489.57	376.81
	ii. Trade payables					
	Total outstanding dues of micro enterprises and small enterprises		31.33	-	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	20	266.54	329.92	589.63	1612.54
	(b) Other current liabilities	21	807.83	1587.31	111.68	16.27
	(c) Current tax liabilities (Net)	22	230.01	130.43	43.67	-
	(d) Provision	23	0.50	-	-	-
	<b>Total</b>		<b>4688.36</b>	<b>4605.44</b>	<b>2263.96</b>	<b>2468.25</b>

**Accounting Policies & Notes on Accounts**  
**As per our Report on Even date attached**  
**For B B Gusani & Associates**  
**Chartered Accountant**

**Bhargav B. Gusani**  
**Proprietor**  
**M. No. 120710**  
**FRN No. 140785W**  
**Place : Jamnagar**  
**Date : 10-07-2024**  
**UDIN: 24120710BJZWDQ7767**

**For. Narmadesh Brass Industries Limited**

**Hitesh Dudhagara**  
**Managing Director**  
**DIN : 00414604**

**Ronak Dudhagara**  
**Director**  
**DIN : 05238631**

**Hetal Vachhani**  
**CS**

**Hiren Patoriya**  
**CFO**



RESTATED STATEMENT OF PROFIT & LOSS							
							Annexure 2
(Rs. In Lakhs)							
Particulars		Annexure No.	From 1st Apr 2023 to 31st Mar 2024	From 30th Oct 2023 to 31st Mar 2024	From 1st Apr 2023 to 29th Oct 2023	For the year ended 31st March 2023	For the year ended 31st March 2022
I.	Revenue from operations	25	7888.45	3996.38	3892.07	5996.18	4426.86
II.	Other income	26	17.66	16.17	1.49	13.03	18.20
III.	<b>Total Income (I + II)</b>		<b>7906.11</b>	<b>4012.55</b>	<b>3893.56</b>	<b>6009.21</b>	<b>4445.06</b>
IV.	Expenses:						
	Cost of Material Consumed	27	6669.55	3244.86	3424.69	5563.27	3775.90
	Purchases of Stock-In-Trade		-	-	-	-	-
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	28	(355.64)	(64.63)	(291.01)	(108.06)	140.46
	Employee benefits expense	29	197.52	101.27	96.25	173.90	178.86
	Finance costs	30	96.93	53.17	43.76	46.07	29.20
	Depreciation and amortization expense	31	63.86	28.74	35.12	44.98	34.76
	Other expenses	32	261.31	130.79	130.52	166.74	153.04
	<b>Total expenses</b>		<b>6933.54</b>	<b>3494.20</b>	<b>3439.34</b>	<b>5886.90</b>	<b>4312.22</b>
V.	<b>Profit before tax (III-IV)</b>		<b>972.57</b>	<b>518.35</b>	<b>454.22</b>	<b>122.31</b>	<b>132.84</b>
VI.	Tax Expense:						
	(1) Current tax		218.18	118.04	100.14	18.42	21.41
	(2) Deferred tax		108.98	13.12	95.86	10.53	9.93
	(3) MAT Credit Entitlement		-	-	-	-	-
VII.	<b>Profit (Loss) for the period (V-VI)</b>		<b>645.41</b>	<b>387.19</b>	<b>258.22</b>	<b>93.37</b>	<b>101.50</b>
	<b>Other Comprehensive Income</b>		-	-	-	-	-
A	(i) Items that will not be reclassified to profit or loss		-	-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-	-	-
B	(i) Items that will be reclassified to profit or loss		-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-	-	-
	<b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>645.41</b>	<b>387.19</b>	<b>258.22</b>	<b>93.37</b>	<b>101.50</b>

<b>VIII</b>	<b>Earnings per equity share:</b>						
	(1) Basic (Adjusted)		32.27	19.36	12.91	4.67	5.07
	(2) Diluted (Adjusted)		32.27	19.36	12.91	4.67	5.07

**Accounting Policies & Notes on Accounts**  
**As per our Report on Even date attached**  
**For B B Gusani & Associates**  
**Chartered Accountant**

**Bhargav B. Gusani**  
**Proprietor**  
**M. No. 120710**  
**FRN No. 140785W**  
**Place : Jamnagar**  
**Date : 10-07-2024**  
**UDIN: 24120710BJZWDQ7767**

**For. Narmadesh Brass Industries Limited**

**Hitesh Dudhagara**  
**Managing Director**  
**DIN : 00414604**

**Ronak Dudhagara**  
**Director**  
**DIN : 05238631**

**Hetal Vachhani**  
**CS**

**Hiren Patoriya**  
**CFO**

RESTATED STATEMENT OF CASHFLOW										
										Annexure 2
(Rs. In Lakhs)										
Particulars	From 1 <sup>st</sup> Apr 2023 to 31 <sup>st</sup> Mar 2024		From 30 <sup>th</sup> Oct 2023 to 31 <sup>st</sup> Mar 2024		From 1 <sup>st</sup> Apr 2023 to 29 <sup>th</sup> Oct 2023		For the Year ended 31 <sup>st</sup> March 2023		For the Year ended 31 <sup>st</sup> March 2022	
<b>Cash flow from Operating Activities</b>										
<b>Net Profit Before tax as per Statement of Profit &amp; Loss</b>		972.57		518.35		454.22		122.31		132.84
Adjustments for :										
Depreciation & Amortisation Exp.	63.86		28.74		35.12		44.98		34.76	
Unpaid Expenses	0.50		0.50							
Interest Income	(0.52)		-		(0.52)		(0.41)		-	
Profit on Sale of Fixed Assets	-		-		-		-		(0.19)	
Dividend	(0.97)		-		(0.97)		(0.97)		(0.97)	
Finance Cost	96.93	159.80	53.17	82.41	43.76	77.39	46.07	89.67	29.20	62.80
<b>Operating Profit before working capital changes</b>		1132.38		600.76		531.62		211.99		195.64
<b>Changes in Working Capital</b>										
Dec/(Inc) Trade receivable	(467.00)		144.07		(611.07)		117.23		207.42	
Dec/(Inc) Other Loans and advances receivable	49.72		(25.11)		74.83		85.79		13.68	
Dec/(Inc) Other Current Assets	(996.67)		435.22		1431.89		(22.47)		8.56	
Inc/(Dec) Trade Payables	(291.76)		(32.05)		259.71		(1022.91)		176.57	
Inc/(Dec) Other Current Liabilities	696.15		(779.48)		1475.63		95.40		(102.47)	
Dec/(Inc) Inventories	(486.08)		(421.81)		64.27		224.91		(221.66)	
Inc/(Dec) Short term Provisions	186.34		99.58		86.76		43.67		(1.59)	

		(1,309.30)		(579.58)		(729.72)		(478.38)		80.50
<b>Net Cash Flow from Operation</b>		(176.92)		21.18		(198.11)		(266.39)		276.14
Less : Income Tax paid		218.18		118.04		100.14		18.42		21.41
<b>Net Cash Flow from Operating Activities (A)</b>		<b>(395.10)</b>		<b>(96.86)</b>		<b>(298.25)</b>		<b>(284.80)</b>		<b>(254.72)</b>
<b><u>Cash flow from investing Activities</u></b>										
Purchase of Fixed Assets	(380.82)		(24.59)		(356.23)		(244.92)		(47.85)	
Sale of Fixed Assets	-		-				-		3.98	
Movement in Non- Current Investment	11.52		(0.20)		11.70		(14.07)		(43.21)	
Movement in Loans & Advances	6.42		6.42		0.00		-		-	
Purchase/Sale of Investment										
Dividend	0.97		-		0.97		0.97		0.97	
Interest Income	0.52		-		0.52		0.41		-	
		(361.41)		(18.37)		(343.04)		(257.62)		(86.11)
<b>Net Cash Flow from Investing Activities (B)</b>		<b>(361.41)</b>		<b>(18.37)</b>		<b>(343.04)</b>		<b>(257.62)</b>		<b>(86.11)</b>
<b><u>Cash Flow From Financing Activities</u></b>										
Proceeds From long Term Borrowing (Net)	(11.61)		(60.82)		49.21		(3.63)		(52.92)	
Short Term Borrowing (Net)	2040.20		1712.19		328.01		119.98		(48.93)	
Interest Paid	(96.93)		(53.17)		(43.76)		(46.07)		(29.20)	
Change in Partners Capital	(949.82)		(1257.30)		307.49		466.47)		(33.72)	
Balance profit transfer to R&S	-	981.84	-	340.89	-	640.95	-	536.75	-	(164.77)
<b>Net Cash Flow from Financing Activities (C)</b>	-	<b>981.84</b>	-	<b>340.89</b>	-	<b>640.95</b>	-	<b>536.75</b>	-	<b>(164.77)</b>

<b>Net (Decrease)/ Increase in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>225.34</b>		<b>225.67</b>		<b>(0.33)</b>		<b>(5.67)</b>		<b>3.84</b>
Opening Cash & Cash Equivalents		1.57		1.24		1.57		7.24		3.40
<b>Cash and cash equivalents at the end of the period Cash And Cash Equivalents Comprise :</b>		<b>226.91</b>		<b>226.91</b>		<b>1.24</b>		<b>1.57</b>		<b>7.24</b>
Cash		0.04		0.04		0.37		0.78		0.69
<b>Bank Balance :</b>										
Current Account		226.87		226.87		0.87		0.79		6.55
Deposit Account		-		-		-		-		-
<b>Total :</b>		<b>226.91</b>		<b>226.91</b>		<b>1.24</b>		<b>1.57</b>		<b>7.24</b>

**Accounting Policies & Notes on Accounts**  
**As per our Report on Even date attached**  
**For B B Gusani & Associates**  
**Chartered Accountant**

**Bhargav B. Gusani**  
**Proprietor**  
**M. No. 120710**  
**FRN No. 140785W**  
**Place : Jamnagar**  
**Date : 10-07-2024**  
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**For. Narmadesh Brass Industries Limited**

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**DIN : 00414604**

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**Director**  
**DIN : 05238631**

**Hetal Vachhani**  
**CS**

**Hiren Patoriya**  
**CFO**

# Statement of Changes in Equity

## A. Equity Share Capital

## Annexure 4

(Rs. In Lakhs)

Particulars	As at 31st March, 2024	
	No. of Shares	INR
<b>Balance at the beginning of reporting period</b>		
Restated balance at the beginning of the reporting period		
Changes in equity share capital during the period	20,00,000	200.00
	<b>20,00,000</b>	<b>200.00</b>

## B. Other Equity (Current Reporting Period)

Particular	Share application on money pending allotment	Equity component of compound financial instrument	Reserve and Surplus				General Reserve	Equity Instrument through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange difference on translating the financial statment	Other items of Other Comprehensive Income (Specify nature)	Money received against share capital	Total
			Capital Reserve	Securities Premium	Other Reserve (Specify nature)	Retained Earning								
Balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit & Loss for the period Ended	-	-	-	-	-	387.19	-	-	-	-	-	-	-	387.19
Total comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting period	-	-	-	-	-	387.19	-	-	-	-	-	-	-	387.19

## **NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

### **Note: - 5 Significant accounting policies:**

#### 1.0 Corporate Information

**Narmadesh Brass Industries Limited** is a Limited Company, incorporated under the provisions of Companies Act, 2013 and having CIN: U24209GJ2023PLC145839. The Company is mainly engaged in the business of Manufacturing and trading Exporting of Brass items. The Registered office of the Company is situated at Plot No. 5, 8 & 9, SN 433, Shree Ganesh Industrial hub, Changa, Jamnagar, Gujarat, India, 361012.

#### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

##### **a. Accounting Convention: -**

The financial statements have been prepared in accordance with Section 133 of Companies Act, 2013, i.e. Indian Accounting Standards ('Ind AS') notified under Companies (Indian Accounting Standards) Rules 2015. The Ind AS Financial Statements are prepared on historical cost convention, except in case of certain financial instruments which are recognized at fair value.

The restated financial information has been prepared for inclusion in the Draft Prospectus and Prosepectus ("DP" or "P" "offer document") to be filed by the Company with the Securities and Exchange Board of India ('SEBI'), Stock Exchange (SE) and other regulatory bodies in connection with proposed Initial Public Offering of its equity shares of face value of Rs 10 each of the Company comprising a fresh issue of equity shares (the "Issue"), in accordance with the requirements of:

- Section 26 of part I of Chapter III of the Act
- relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations, 2018, issued by the Securities and Exchange Board of India ('SEBI') as amended in pursuance of the Securities and Exchange Board of India Act, 1992; and
- Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI").

The Restated financial information have been compiled from:

- The audited financial statement of the Company as at March 31, 2024 which have been approved by the Board of Directors at their meeting held on 27<sup>th</sup> May, 2024.
- The audited financial statement of the Company as at October 29, 2023 which have been approved by the Board of Directors at their meeting held on 26<sup>th</sup> May, 2024.
- The audited financial statement of the Company as at March 31, 2023 which have been approved by the Board of Directors/Partners at their meeting held on 08<sup>th</sup> September, 2022.

- The audited financial statement of the Company as at March 31, 2022 which have been approved by the Board of Directors/Partners at their meeting held on 31<sup>th</sup> December, 2021.
- The audited financial statement of the Company as at March 31, 2021 which have been approved by the Board of Directors/Partners at their meeting held on 07<sup>th</sup> December, 2020.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

#### **b. Functional and Presentation Currency**

The functional and presentation currency of the company is Indian rupees. This financial statement is presented in Indian rupees.

All amounts disclosed in the financial statements and notes are rounded off to lakhs the nearest INR rupee in compliance with Schedule III of the Act, unless otherwise stated.

Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

#### **c. Compliance with Ind AS**

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.

#### **d. Use of Estimates and Judgments**

The preparation of the Ind AS financial statements in conformity with the generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the Balance Sheet date, reported amount of revenue and expenses for the year and disclosure of contingent liabilities and contingent assets as of the date of Balance Sheet. The estimates

and assumptions used in these Ind AS financial statements are based on management's evaluation of the relevant facts and circumstances as of the date of the Ind AS financial statements. The actual amounts may differ from the estimates used in the preparation of the Ind AS financial statements and the difference between actual results and the estimates are recognized in the period in which the results are known/materialize.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods affected.

Particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial Statement are as below:

1. Valuation of Financial Instruments;
2. Evaluation of recoverability of deferred tax assets/Liabilities ;
3. Useful lives of property, plant and equipment and intangible assets;
- 4.Measurement of recoverable amounts of cash-generating units;
- 5.Obligations relating to employee benefits;
- 6.Provisions and Contingencies;



7. Provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions;
8. Recognition of Deferred Tax Assets/Liabilities

#### **e. Current versus Non-Current Classification**

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset / liability is treated as current when it is:-

- i. Expected to be realised or intended to be sold or consumed or settled in normal operating cycle.
- ii. Held primarily for the purpose of trading.
- iii. Expected to be realised / settled within twelve months after the reporting period, or.
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- v. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

## **1.2 ACCOUNTING POLICIES:**

### **(A) Property, Plant and Equipment**

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost includes purchase price, non-recoverable taxes and duties, labour cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is provided on the Written-Down Value (WDV) over the estimated useful lives of the assets considering the nature, estimated usage, operating conditions, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. The Company provides pro-rata depreciation from the day the asset is put to use and for any asset sold, till the date of sale.

Projects under commissioning and other Capital work-in-progress are carried at cost comprising of direct and indirect costs, related incidental expenses and attributable interest.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

An item of property, plant and equipment is derecognized on disposal. Any gain or loss arising from derecognition of an item of property, plant and equipment is included in profit or loss.

## **(B) Intangible Assets**

Intangible assets are stated at cost of acquisition net of recoverable taxes, accumulated amortization, and impairment losses, if any. Such costs include purchase price, borrowing cost, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and cost can be measured reliably.

The amortisation period for intangible assets with finite useful lives is reviewed at each year-end. Changes in expected useful lives are treated as changes in accounting estimates.

Internally generated intangible asset Research costs are charged to the statement of Profit and Loss in the year in which they are incurred.

The cost of an internally generated intangible asset is the sum of directly attributable expenditure incurred from the date when the intangible asset first meets the recognition criteria to the completion of its development.

Product development expenditure is measured at cost less accumulated amortisation and impairment, if any. Amortisation is not recorded on product in progress until development is complete.

Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

## **(C) Impairment of assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

## **(D) Leases**

### **As a lessee**

The Company has applied IND AS 116 using the partial retrospective approach.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

### **Right of use assets**

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

### **Lease Liabilities**

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

### **As Lessor:**

At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease, based on contractual terms & substance of the lease arrangement. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating

lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

**(E) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).

The Company has identified its Managing Director as CODM who is responsible for allocating resources and assessing performance of the operating segments and makes strategic decisions.

The Company is operating in single business segments i.e. Manufacturing and trading Exporting of Brass items. Hence, reporting requirement of Segment reporting is not arise.

**(F) Statement of Cashflow**

Cash Flows of the Group are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a noncash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing Cash Flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**(G) Cash and cash equivalents**

Cash and cash equivalents comprises cash on hand, demand deposits and highly liquid investments with an original maturity of up to three month that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

**(H) Inventories**

Inventories includes raw material, semi-finished goods, stock -in -trade, finished goods, stores & spares, consumables, packing materials, goods for resale and material in transit are valued at lower of cost and net

**Raw Material and Components** - Cost include cost of purchases and other costs incurred in bringing the inventories to their present location and condition. value Cost is determined on First-In-First-Out basis.

**Finished/Semi-Finished Goods** - Cost includes cost of direct material, labor, other direct cost (Including variable costs) and a proportion of fixed manufacturing overheads allocated based on the normal operating capacity but excluding borrowing costs. Cost is determined on First-In-First-Out basis.

**Stock-in-trade** - Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and conditions. Cost is determined on First-In-First- Out basis.

Stores, Spare Parts, Consumables, Packing Materials etc. - Cost is determined on on First-In-First-Out basis.

Goods for Resale – valuation Cost is determined on First-In-First-Out basis.

realizable Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Adequate allowance is made for obsolete and slow-moving items.

## **(I) Foreign Currency Transactions**

### **i) Initial Recognition**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

### **ii) Subsequent Recognition**

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

Any subsequent events occurring after the Balance Sheet date up to the date of the approval of the financial statement of the Company by the board of directors on May 18, 2023 have been considered, disclosed and adjusted, if changes or event are material in nature wherever applicable, as per the requirement of Ind AS .

## **(J) Income Taxes**

The tax expense for the period comprises of current tax and deferred income tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the Other Comprehensive Income or in Equity. In which case, the tax is also recognized in Other Comprehensive Income or Equity.

### **I. Current tax: -**

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

### **II. Deferred tax:-**

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements.

Deferred tax asset is recognized to the extent that it is probable that taxable profit will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

## **(K) Provisions and Contingencies**

### **Provisions:**

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are discounted to its present value as appropriate.

### **Contingent Liabilities:**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

## **(L) Revenue recognition**

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

When (or as) a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Company applies the five-step approach for recognition of revenue:

- i. Identification of contract(s) with customers;
- ii. Identification of the separate performance obligations in the contract;
- iii. Determination of transaction price;
- iii. Allocation of transaction price to the separate performance obligations; and
- iv. Recognition of revenue when (or as) each performance obligation is satisfied.

## **(M) Other income:**

**Interest:** Interest income is calculated on effective interest rate, but recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**Dividend:** Dividend income is recognised when the right to receive dividend is established.

## **(N) Finance Cost**

Borrowing costs that are directly 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. based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

**(O) Earnings per share (EPS):**

Basic EPS is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted EPS, the net profit or loss for the period attributable to equity shareholders and the weighted average number of additional equity shares that would have been outstanding are considered assuming the conversion of all dilutive potential equity shares. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period.

**(P) Employee benefits**

**i. Provident Fund**

Retirement benefit in the form of Provident Fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense when an employee renders the related service.

**ii. Gratuity**

The Management has decided to gratuity will be accounted in profit & loss A/c in each financial year when the claim is recognized by the company which is against the prescribed treatment of AS -15. The Quantum of provision required to be made for the said retirements benefits can be decided on actuarial basis and the said information could not be gathered. To the extent of such amount, the reserve would be lesser.

**iii. Leave encashment**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. Leave encashment is recognised (as and when they accrue) as an expense in the statement of profit and loss in line with the leave policy of the Company.

**(Q) Fair Value Measurement:**

The Company measures financial instruments such as investments in mutual funds, certain other investments etc. at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

## **(R) Financial Instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### **Financial assets:**

#### **Initial recognition**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables and other specific assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

#### **Subsequent measurement**

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- i. The entity's business model for managing the financial assets and
- ii. The contractual cash flow characteristics of the financial asset.

#### **De-recognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.



## **Financial Liabilities:**

### **Initial Recognition and Subsequent Measurement**

All financial liabilities are recognised initially at fair value and in case of borrowings and payables, net of directly attributable cost. Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Changes in the amortised value of liability are recorded as finance cost.

### **De-recognition**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

## **(S) Exemption Availed on First time adoption of Ind AS 101**

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has availed the following material exemptions:

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment and intangible assets recognized as measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment and intangible assets.

**Property, Plant and Equipment**
**Annexure 6**

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1 st April 2022	Additions	Disposals	Balance as at 31 st March 2023	Balance as at 1 st April 2022	Depreciation charge for the year	On disposals	Balance as at 31 st March 2023	Balance as at 31 st March 2023	Balance as at 1 st April 2022
<b>Tangible Assets</b>										
computer & Software	3.55	0.09	-	3.63	1.78	0.55	-	2.33	1.30	1.76
Plant & Machinery	587.39	244.84	-	832.23	63.31	44.15	-	107.46	724.77	524.08
Furniture	3.36	-		3.36	0.44	0.28		0.72	2.65	2.93
<b>Total</b>	<b>594.30</b>	<b>244.92</b>	<b>-</b>	<b>839.22</b>	<b>65.53</b>	<b>44.98</b>	<b>-</b>	<b>110.51</b>	<b>728.72</b>	<b>528.77</b>

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1 st April 2023	Additions	Disposals	Balance as at 29th Oct 2023	Balance as at 1 st April 2023	Depreciation charge for the year	On disposals	Balance as at 29th Oct 2023	Balance as at 29th Oct 2023	Balance as at 1 st April 2023
<b>Tangible Assets</b>										
computer & Software	3.63	0.29	-	3.92	2.33	0.64	-	2.97	0.95	1.30
Plant & Machinery	832.23	354.81	-	1,187.03	107.46	34.31	-	141.77	1,045.27	724.77
Furniture	3.36	1.14		4.50	0.72	0.17		0.89	3.61	2.65
<b>Total</b>	<b>839.22</b>	<b>356.23</b>	<b>-</b>	<b>1,195.45</b>	<b>110.51</b>	<b>35.12</b>	<b>-</b>	<b>145.63</b>	<b>1,049.83</b>	<b>728.72</b>

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 30th Oct 2023	Additions	Disposals	Balance as at 31st March 2024	Balance as at 30th Oct 2023	Depreciation charge for the year	On disposals	Balance as at 31st March 2024	Balance as at 31st March 2024	Balance as at 30th Oct 2023
<b>Tangible Assets</b>										
computer & Software	3.92	1.43	-	5.35	2.97	0.63	-	3.60	1.75	0.95
Plant & Machinery	1,187.03	21.80	-	1,208.83	141.77	27.95	-	169.72	1,039.12	1,045.27
Furniture	4.50	1.36		5.86	0.89	0.16		1.05	4.81	3.61

<b>Total</b>	<b>1,195.45</b>	<b>24.59</b>	<b>-</b>	<b>1,220.04</b>	<b>145.63</b>	<b>28.74</b>	<b>-</b>	<b>174.37</b>	<b>1,045.67</b>	<b>1,049.83</b>
<b>Fixed Assets</b>	<b>Gross Block</b>				<b>Accumulated Depreciation</b>				<b>Net Block</b>	
	<b>Balance as at 1 st April 2023</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance as at 31st March 2024</b>	<b>Balance as at 1 st April 2023</b>	<b>Depreciation charge for the year</b>	<b>On disposals</b>	<b>Balance as at 31<sup>st</sup> March 2024</b>	<b>Balance as at 31st March 2024</b>	<b>Balance as at 1 st April 2023</b>
<b>Tangible Assets</b>										
computer & Software	3.63	1.72	-	5.35	2.33	1.27	-	3.60	1.75	1.30
Plant & Machinery	832.23	376.61	-	1,208.83	107.46	62.26	-	169.72	1,039.12	724.77
Furniture	3.36	2.50		5.86	0.72	0.33		1.05	4.81	2.65
<b>Total</b>	<b>839.22</b>	<b>380.82</b>	<b>-</b>	<b>1,220.04</b>	<b>110.51</b>	<b>63.86</b>	<b>-</b>	<b>174.37</b>	<b>1,045.67</b>	<b>728.72</b>

NON CURRENT ASSETS - INVESTMENTS					Annexure 7
Particulars	As at 31st March 2024	As at 29th October 2023	As at 31 st March 2023	As at 31 st March 2022	
<b>Investment in unquoted Share</b>	-	6.42	6.42	6.42	
As on 2021, 2022, 2023, Oct,2023 : (64,237 Equity Shares having face Value Of Re. 10 Each Fuly Paid Up)					
<b>Total</b>	-	6.42	6.42	6.42	
<b>Market Value of Unquoted Shares</b>	-	6.42	6.42	6.42	
<b>Total</b>	-	6.42	6.42	6.42	

NON CURRENT ASSETS – LOANS					Annexure 8
Particulars	As at 31st March 2024	As at 29th October 2023	As at 31 st March 2023	As at 31 st March 2022	
<b>Security Deposit</b>					
Security Deposits/pgvcl deposit	12.01	12.01	23.71	9.64	
Building Deposit	55.00	55.00	55.00	55.00	
NSDL Deposit	0.10	-	-	-	
CDSL Deposit	0.10	-	-	-	
<b>Total</b>	67.21	67.01	78.71	64.64	

INVENTORIES					Annexure 9
Particulars	As at 31st March 2024	As at 29th October 2023	As at 31 st March 2023	As at 31 st March 2022	
a. Raw Materials	477.42	120.24	346.98	679.95	
(Valued at Lower of Cost or NRV as per FIFO Method)					
b. Work-In-Progress	683.27	522.31	513.25	455.20	
(Valued at Lower of Cost or NRV as per FIFO Method)					
c. Finished Goods	377.09	473.42	191.48	141.47	
(Valued at Lower of Cost or NRV as per FIFO Method)					
<b>Total</b>	1,537.78	1,115.97	1,051.70	1,276.61	

CURRENT ASSETS - TRADE RECEIVABLES				
				Annexure 10
Particulars	As at 31st March 2024	As at 29th October 2023	As at 31 st March 2023	As at 31 st March 2022
<b><u>Undisputed Trade Receivable - Considered good</u></b>	-			
<b>Not Due</b>	-	-	-	-
<b>Outstanding for Following Period from Due date</b>				
Less than 6 Months	251.05	769.32	185.60	332.01
6 Months - 1 Years	431.65	27.65	17.49	6.19
01-02 Years	0.24	17.19	17.94	1.61
02-03 Years	0.10	17.94	1.55	-
More than 3 Years	4.72	1.55	-	-
<b><u>Undisputed Trade Receivable - Considered doubtful</u></b>				
More than 3 Years	1.82	-	-	-
<b><u>Disputed Trade Receivable - Considered good</u></b>	-	-	-	-
<b><u>Disputed Trade Receivable - Considered Doubtful</u></b>	-	-	-	-
<b>Total</b>	<b>689.58</b>	<b>833.65</b>	<b>222.58</b>	<b>339.81</b>

CASH AND CASH EQUIVALENTS				
				Annexure 11
Particulars	As at 31st March 2024	As at 29th October 2023	As at 31 st March 2023	As at 31 st March 2022
a. Cash on Hand	0.04	0.37	0.78	0.69
<b>b. Balance with Banks</b>				
(i) in Current Accounts				
Central Bank Of India	0.22	0.20	0.09	0.32
HDFC Bank	226.64	0.33	0.55	6.08
The Nawanganagar Co OP Bank	0.01	0.34	0.15	0.15
<b>Total</b>	<b>226.91</b>	<b>1.24</b>	<b>1.57</b>	<b>7.24</b>

CURRENT ASSETS - LOANS				
				Annexure 12
Particulars	As at 31st March 2024	As at 29th October 2023	As at 31 st March 2023	As at 31 st March 2022
a. Loans and advances to Partner/Directors/Promoters/ Promoter Group/ Associates/ Relatives of Directors/Group Company	-	-	-	-
b. Loan & Advances to Others	0.98	-	13.70	19.73
c. Balance with Government Authorities	86.24	61.40	135.44	215.20
d. Others (specify nature)	-			
Advance Salary to Employees/Directors	-	-	-	-
Advances to Employees	12.20	12.91	-	-
<b>Total</b>	<b>99.42</b>	<b>74.31</b>	<b>149.14</b>	<b>234.93</b>

CURRENT ASSETS - CURRENT TAX ASSETS				
				Annexure 13
Particulars	As at 31st March 2024	As at 29th October 2023	As at 31 st March 2023	As at 31 st March 2022
Income tax Receivable (Net)	-	-	-	7.17
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.17</b>

CURRENT ASSETS - OTHER CURRENT ASSETS				
				Annexure 14
Particulars	As at 31st March 2024	As at 29th October 2023	As at 31 st March 2023	As at 31 st March 2022
Advances to Suppliers for Services/Goods	1,021.79	1,457.01	25.12	2.65
PGCVL				
<b>Total</b>	<b>1,021.79</b>	<b>1,457.01</b>	<b>25.12</b>	<b>2.65</b>

EQUITY SHARE CAPITAL					
					Annexure 15
Share Capital	As at 31st March 2024		As at 29h October 2023	As at 31st March 2023	As at 31st March 2022
	Number	Amt. Rs. In Lakhs	Amt. Rs. In Lakhs	Amt. Rs. In Lakhs	Amt. Rs. In Lakhs
<b>Authorised</b>					
Equity Shares of Rs.10 each	-	-	-	-	-
<b>Issued</b>					
Equity Shares of Rs.10 each	-	-	-	-	-
<b>Subscribed &amp; Paid up</b>					
Equity Shares of Rs.10 each fully paid up	2,000,000.00	200.00	-	-	-
<b>Partners Capital (Fixed Capital)</b>	-		200.00	891.59	331.71
<b>Total</b>	<b>2,000,000.00</b>	<b>200.00</b>	<b>200.00</b>	<b>891.59</b>	<b>331.71</b>

Particulars	Equity Shares	
	Number	Amt. Rs. In Lakhs
Shares outstanding at the beginning of the year		
Capital Conversion into Shares Issued during the year	2,000,000.00	200.00
Shares bought back during the year		
Shares outstanding at the end of the year	<b>2,000,000.00</b>	<b>200.00</b>

Details of Shares held by shareholders holding more than 5% of the aggregate shares in the co.					
					Annexure 15.2
Name of Shareholder	As at 31st March 2024		As at 29h October 2023	As at 31st March 2023	As at 31st March 2022
	No. of Shares held	% of Holding	% of Holding	% of Holding	% of Holding
Hitesh Pragjibhai Dudhagara	95,000.00	19.75%	19.75%	20.00%	20.00%
Ronak Hitesh Dudhagara	395,000.00	19.75%	19.75%	30.00%	30.00%
Ghanshyamlal Badrilal Somani	-	0.00%	0.00%	50.00%	50.00%
Sprayking Limited ( Formerly know as "Sprayking Agro Equipment Limited"	1,200,000.00	60.00%	60.00%	-	-
Shashank Pravinchandra Doshi	4,000.00	0.20%	0.20%	-	-
Pragjibhai Meghajibhai Dudhagara	2,000.00	0.10%	0.10%	-	-
Parvatiben Pragjibhai Dudhagara	2,000.00	0.10%	0.10%	-	-
KrishHiteshDudhagara	2,000.00	0.10%	0.10%	-	-

Details of Promoters holding in the co.				Annexure 15.3
Name of Shareholder	As at 31st March 2024		As at 29h October 2023	
	No. of Shares held	% of Holding	% of Holding	
Hitesh Pragjibhai Dudhagara	395,000.00	19.75%	19.75%	
Ronak Hitesh Dudhagara	395,000.00	19.75%	19.75%	
Sprayking Limited ( Formerly know as "Sprayking Agro Equipment Limited"	1,200,000.00	60.00%	60.00%	

<b>PARTNERS CAPITAL ACCOUNT</b>				
				<b>Annexure 15.4</b>
<b>Particulars</b>	<b>As at 31st March 2024</b>	<b>As at 29th October 2023</b>	<b>As at 31 st March 2023</b>	<b>As at 31 st March 2022</b>
<b>Partners Capital</b>				
<b>Fixed Capital</b>				
Opening Balance	-	-	-	-
Add : fixed capital introduction	200.00	200.00	-	-
Less : Capital Withdrawn during the year	-	-	-	-
<b>Sub Total (a)</b>	<b>200.00</b>	<b>200.00</b>	<b>-</b>	<b>-</b>
<b>Floating capital</b>				
Opening Balance	1,257.30	891.59	331.71	263.98
Add : Fresh Capital Introduced during the year	510.15	510.15	661.60	29.00
Add: Fixed Assets Revaluation	324.45	324.45		
Add: Interest on Partners Capital	-	-	-	-
Add : Share of Profit from the firm	258.22	258.22	93.37	101.50
Add: Remuneration	-	-	-	10.00
Less : Capital Converted into Fixed Capital	200.00	200.00	-	-
Less: Capital Transfer to Unsecured Loan A/c	1,769.45	512.10		
Less : Capital Withdrawn during the year	15.00	15.00	195.09	72.76
<b>Sub Total (b)</b>	<b>365.71</b>	<b>1,257.30</b>	<b>891.59</b>	<b>331.71</b>
<b>Closing Balance (Total) (a+b)</b>	<b>565.71</b>	<b>1,457.30</b>	<b>891.59</b>	<b>331.71</b>

<b>OTHER EQUITY</b>				<b>Annexure 16</b>
<b>Particulars</b>	<b>As at 31st March 2024</b>	<b>As at 29th October 2023</b>	<b>As at 31 st March 2023</b>	<b>As at 31 st March 2022</b>
<b>General Reserves</b>				
Opening balance	-	-	-	-
Balance Transfer from Capital Account	-	-	-	-
(+) Net Profit/(Net Loss) For the current year	387.19	-	-	-
Closing Balance	<b>387.19</b>	-	-	-
<b>Total</b>	<b>387.19</b>	<b>-</b>	<b>-</b>	<b>-</b>



# NON CURRENT LIABILITIES - BORROWING

Annexure 17

Particulars	As at 31st March 2024	As at 29th October 2023	As at 31 st March 2023	As at 31 st March 2022
<b>Secured</b>	-	-	-	
<b>(a) Term loans</b>				
<b>From Financial Institutions</b>	-	-	-	-
<b>(a) From Bank or Financial Institutions</b>	-			-
<i>The Nawanagar Bank Term Loan-7185</i>	-	-	54.96	107.57
<i>The Nawanagar Co- Op Bank Ltd Term Loan 7277</i>	-	-	48.98	-
<i>HDFC Bank Ltd Term Loan</i>	38.01	71.32	-	-
<i>HDFC Bank Ltd Term Loan Solar</i>	54.32	81.83	-	-
<b>Total</b>	<b>92.33</b>	<b>153.15</b>	<b>103.94</b>	<b>107.57</b>

## NATURE AND TERMS OF REPAYMENT BORROWINGS

Annexure 17.1

### Details of Secured Borrowings :

Sr. No.	Lender	Nature of facility	Date of Sanction of Loan	Amount outstanding as at March 31, 2024 (In Lakhs)	Rate of interest (%)	Repayment terms	Security/Principal terms and conditions
1	The Nawanagar Co-op Bank Ltd 7185	Term Loan	10/17/2019	0.00	10.50%	Amount Payable on 11th every month Starting from 11-04-2019 at Installment of Rs. 4,28,250/-	Industrial property Plot No.5,8,9 Lalpur-Property Mortgage, 15% Margine at the time of Sanction. Charged 2% interest on Default in loan principle or Interest Payment.
2	The Nawanagar Co-op Bank Ltd - 7277 Jamnagar	Term Loan	4/28/2022	0.00	9.00%	Amount Payable on 25th every month Starting from 25-04-2022 at Installment of Rs. 2,63,908/-	
3	The Nawanagar Co-op Bank Ltd	Cash Credit	4/27/2022	0.00	8.00%	On Demand	Industrial property Plot No.5,8,9 Lalpur-Property Mortgage, 15% Margine at the time of Sanction. Charged 2% interest on Default in loan principle or Interest Payment.

3	HDFC Bank Term Loan	Term Loan	7/28/2023	57.69	9.00%	Amount Payable on 7th date of every month Starting from 07-10-2023 at Installment of Rs. 504,518/-	Industrial property Plot No.3,4,5,8,9 Lalpur, Residential Flat 301,302,401,402 near jakat naka. Interest levy: charged 18% p.a on overdue /delays/default of any monies payable. processing fees 0.50%, BB Renewal Fess 0.25%, BB Foreclosure Chgs 2% up to 3 year and than after 1%.
4	HDFC Bank Term Loan	Term Loan	7/28/2023	77.12	9.00%	Amount Payable on 7th date of every month Starting from 07-10-2023 at Installment of Rs. 239,451/-	
5	HDFC Bank Limited	Cash Credit	7/28/2023	972.70	9.00%	On Demand	

#### Details of Unsecured Borrowings:

Sr. No.	Lender	Company/ Name of Director	Date of Sanction of Loan	Amount outstanding as at March 31, 2024 (In Lakhs)	Rate of interest (%)	Repayment terms	Terms
1	Hitesh Dudhagara	Issuer Co.	30.10.2023	303.69	0.00%	Re-Payable on demand	Unsecured Loan from Director
2	Ronak Hitesh Dudhagara	Issuer Co.	30.10.2023	227.24	0.00%	Re-Payable on demand	Unsecured Loan from Director
3	Sprayking Limited	Issuer Co.	30.10.2023	733.65	0.00%	Re-Payable on demand	Unsecured Loan from Holding Company
4	Skytone Logistic Park LLP	Issuer Co.	1.07.2023	250.00	0.00%	Re-Payable on demand	Unsecured Loan from others

#### Notes:

- (i) The figures disclosed above are based on the Statements of Assets and Liabilities as Restated of the Company.
- (ii) The above includes long-term borrowings disclosed under Annexure and the current maturities of long-term borrowings included in short term Borrowing.

DEFERRED TAX ASSET/LIABILITY				
				Annexure 18
Particulars	As at 31st March 2024	As at 29th October 2023	As at 31 st March 2023	As at 31 st March 2022
WDV as per book	1,045.67	1,049.83	728.72	528.77
WDV as per IT	478.09	534.36	594.12	436.00
Time Difference	567.58	515.47	134.60	92.77
<b>Total</b>	<b>567.58</b>	<b>515.47</b>	<b>134.60</b>	<b>92.77</b>
<b>As per B/S (Liability)/(Asset))</b>	<b>142.86</b>	<b>129.74</b>	<b>33.88</b>	<b>23.35</b>
<b>Transfer to P &amp; L A/c (Loss)/(Profit))</b>	<b>108.98</b>	<b>95.86</b>	<b>10.53</b>	<b>9.93</b>

CURRENT LIABILITIES - BORROWING				
				Annexure 19
Particulars	As at 31st March 2024	As at 29th October 2023	As at 31 st March 2023	As at 31 st March 2022
<b><u>Secured</u></b>	-	-	-	-
<b>(a) From Bank or Financial Institutions</b>				
"Current maturities" to Long Term Loans				
The Nawanager Bank Term Loan- 7185		-	52.61	52.62
HDFC Bank Ltd Term Loan	19.68	8.92	-	-
HDFC Bank Ltd Term Loan Solar	22.80	3.51	-	-
The Nawanager Co- Op Bank Ltd CC 1744	-	-	383.76	324.19
The Nawanager Co- Op Bank Ltd Term Loan 7277	-	-	53.20	-
HDFC Bank Ltd CC 1861	972.70	455.15	-	-
<b>(b) From Partners/ Promoters/ Promoters Group/ Group Companies/Directors &amp; their Relatives</b>	1,264.59	-	-	-
<b>(c) Loan from Others</b>	250.00	350.01	-	-
<b>Total</b>	<b>2,529.77</b>	<b>817.58</b>	<b>489.57</b>	<b>376.81</b>

CURRENT LIABILITIES - TRADE PAYABLES				
				Annexure 20
Particulars	As at 31st March 2024	As at 29th October 2023	As at 31 st March 2023	As at 31 st March 2022
<b><u>Outstanding dues of micro enterprises and small enterprises</u></b>	-	-	-	-
Outstanding for Following Period from Due date				
Less than 01 Years	31.33			
<b><u>Outstanding dues of creditors other than micro enterprises and small enterprises</u></b>	-			

<b>Not Due</b>	-	-	-	-
<b>Outstanding for Following Period from Due date</b>	-	-		
Less than 01 Years	264.05	327.52	587.23	1,607.70
01-02 Years	0.49	-	0.40	4.84
02-03 Years	-	0.40	2.00	-
More than 3 Years	2.00	2.00	-	-
<b>Total</b>	<b>297.87</b>	<b>329.92</b>	<b>589.63</b>	<b>1,612.54</b>

<b>CURRENT LIAILITIES - OTHER CURRENT LIABILITIES</b>				
				<b>Annexure 21</b>
<b>Particulars</b>	<b>As at 31st March 2024</b>	<b>As at 29th October 2023</b>	<b>As at 31 st March 2023</b>	<b>As at 31 st March 2022</b>
<b>(i) Statutory Remittance</b>				
(i) TDS/TCS Payable	1.48	1.02	0.90	1.36
(ii) GST Payable	-	-	2.42	0.13
(iii) EPF Payable	0.02	-	0.14	0.10
(iv) Professional Tax Payable	0.11	0.12	0.09	0.11
<b>(ii) Advanced from Customers</b>	<b>316.47</b>	<b>1,116.10</b>	<b>101.14</b>	<b>8.57</b>
<b>(iii) Other Payables (Specify Nature)</b>				
Unpaid Expenses	19.68	-	6.99	5.99
Retired Partner's Outstanding Capital Payable	470.07	470.07		
<b>Total</b>	<b>807.83</b>	<b>1,587.31</b>	<b>111.68</b>	<b>16.27</b>

<b>CURRENT LIAILITIES - CURRENT TAX LIABILITIES</b>				
				<b>Annexure 22</b>
<b>Particulars</b>	<b>As at 31st March 2024</b>	<b>As at 29th October 2023</b>	<b>As at 31 st March 2023</b>	<b>As at 31 st March 2022</b>
Provision for Tax (Net)	230.01	130.43	43.67	-
<b>Total</b>	<b>230.01</b>	<b>130.43</b>	<b>43.67</b>	<b>-</b>

<b>CURRENT LIAILITIES - PROVISIONS</b>				
				<b>Annexure 23</b>
<b>Particulars</b>	<b>As at 31st March 2024</b>	<b>As at 29th October 2023</b>	<b>As at 31 st March 2023</b>	<b>As at 31 st March 2022</b>
<b>Provision For</b>		-	-	
(i) Audit Fees	0.50	-	-	-
<b>Total</b>	<b>0.50</b>	<b>-</b>	<b>-</b>	<b>-</b>

CONTINGENT LIABILITIES AND COMMITMENTS				
				Annexure 24
Particulars	As at 31st March 2024	As at 29th October 2023	As at 31 st March 2023	As at 31 st March 2022
<b>(a) Contingent Liabilities</b>				
a. Claims against the company not acknowledged as debts	-	-	-	-
b. Guarantees	-	-	-	-
c. Other Money for which the company is contingently liable	-	-	-	-
<b>(b) Commitments</b>	-	-	-	-
<b>Total</b>	-	-	-	-

**REVENUE FROM OPERATIONS****Annexure 25**

Particulars	From 1st Apr 2023 to 31st Mar 2024	From 30th Oct 2023 to 31st March 2024	From 01st Apr 2023 to 29th Oct 2023	For the year ended 31st March 2023	For the year ended 31st March 2022
Sale of Products	7,334.34	3,870.56	3,463.78	5,892.56	4,403.20
Sale of Services	554.11	125.82	428.29	103.62	23.66
<b>Total</b>	<b>7,888.45</b>	<b>3,996.38</b>	<b>3,892.07</b>	<b>5,996.18</b>	<b>4,426.86</b>

**PARTICULARS OF SALE OF PRODUCTS/SERVICES****Annexure 25.1**

Particulars	From 1st Apr 2023 to 31st Mar 2024	From 30th Oct 2023 to 31st March 2024	From 01st Apr 2023 to 29th Oct 2023	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Sale of Goods</b>					
Sale of in house manufactured Brass Billets	953.71	530.22	423.49	571.48	356.31
Sale of in house manufactured Brass Roads	2,600.17	1,311.58	1,288.59	2,433.76	1,223.34
Sale of in house manufactured Brass Fitting Parts	312.27	41.38	270.89	876.70	779.27
Sale of in house manufactured Brass Sanitary Parts	11.77	3.89	7.88	13.30	21.38
Sale of in house manufactured Brass Agricultural Parts	357.35	152.18	205.17	390.78	527.46
Sale of in house manufactured Brass Brass Valve Parts	2,465.28	1,518.86	946.42	943.05	1,107.00
Sale of in house manufactured Brass Brass Electrical Parts	129.00	129.00	-	-	1.83
Sale of in house manufactured Other Products	393.53	72.19	321.34	405.13	125.71
<b>Export</b>					
Sales of Brass Billets	111.26	111.26	-	258.36	260.90
<b>Sub Total</b>	<b>7,334.34</b>	<b>3,870.56</b>	<b>3,463.78</b>	<b>5,892.56</b>	<b>4,403.20</b>
<b>Sale of Services</b>					
Job Work Income	554.11	125.82	428.29	103.62	23.66
<b>Sub Total</b>	<b>554.11</b>	<b>125.82</b>	<b>428.29</b>	<b>103.62</b>	<b>23.66</b>
<b>Total</b>	<b>7,888.45</b>	<b>3,996.38</b>	<b>3,892.07</b>	<b>5,996.18</b>	<b>4,426.86</b>

**OTHER INCOME****Annexure 26**

Particulars	From 1st Apr 2023 to 31st Mar 2024	From 30th Oct 2023 to 31st March 2024	From 01st Apr 2023 to 29th Oct 2023	For the year ended 31st March 2023	For the year ended 31st March 2022
Duty Drawback Income	5.40	5.40	-	3.35	6.19
Forex Currency Rate Difference	2.82	2.82	-	8.31	10.36
Pgvcl Deposit Interest	1.09	1.09	-	0.41	0.50
Profit on Sale of Fixed Assets	-	-	-	-	0.19
Subsidy Income	6.86	6.86	-	-	-
Prior Period Adjustments	-	-	-	-	-
Other Income	0.52	-	0.52	-	-
Dividend Income	0.97	-	0.97	0.97	0.97
<b>Total</b>	<b>17.66</b>	<b>16.17</b>	<b>1.49</b>	<b>13.03</b>	<b>18.20</b>

**Details of Other Income as restated****Annexure 26.1**

Particulars	From 1st Apr 2023 to 31st Mar 2024	From 30th Oct 2023 to 31st March 2024	From 01st Apr 2023 to 29th Oct 2023	For the year ended 31st March 2023	For the year ended 31st March 2022	Nature
Other income	17.66	16.17	1.49	13.03	18.20	
Net Profit Before Tax as Restated	972.57	518.35	454.22	122.31	132.84	
<b>Percentage</b>	<b>1.82%</b>	<b>3.12%</b>	<b>0.33%</b>	<b>10.65%</b>	<b>13.70%</b>	
<b>Source of Income</b>						
Duty Drawback Income	5.40	5.40	-	3.35	6.19	Not recurring But related to business activity.
Forex Currency Rate Difference	2.82	2.82	-	8.31	10.36	Not recurring But related to business activity.
Profit on Sale of Fixed Assets		-	-	-	0.19	Recurring and related to business activity.
Pgvcl Deposite Interest	1.09	1.09	-	0.41	0.50	Recurring But not related to business activity.
Subsidy Income	6.86	6.86	-	-	-	Recurring But not related to business activity.

Prior Period Adjustments	-	-	-	-	-	Recurring But not related to business activity.
Dividend Income	0.97	-	0.97	0.97	0.97	Not Recurring and not related to business activity.
Other Income	0.52	-	0.52	-	-	Not Recurring and not related to business activity.
<b>Total Other income</b>	<b>17.66</b>	<b>16.17</b>	<b>1.49</b>	<b>13.03</b>	<b>18.20</b>	

#### **COST OF MATERIALS CONSUMED**

#### **Annexure 27**

Particulars	From 1st Apr 2023 to 31st Mar 2024	From 30th Oct 2023 to 31st March 2024	From 01st Apr 2023 to 29th Oct 2023	For the year ended 31st March 2023	For the year ended 31st March 2022
Opening Stock Raw Materials	346.98	120.24	346.98	679.95	317.68
Add:- Purchase of Raw Materials	6,799.99	3,602.04	3,197.95	5,230.30	4,138.17
Closing Stock of Raw Materials	477.42	477.42	120.24	346.98	679.95
<b>Cost of Raw Material Consumed</b>	<b>6,669.55</b>	<b>3,244.86</b>	<b>3,424.69</b>	<b>5,563.27</b>	<b>3,775.90</b>

#### **CHANGES IN INVENTORIES OF STOCK-IN-TRADE**

#### **Annexure 28**

Particulars	From 1st Apr 2023 to 31st Mar 2024	From 30th Oct 2023 to 31st March 2024	From 01st Apr 2023 to 29th Oct 2023	For the year ended 31st March 2023	For the year ended 31st March 2022
<b><u>Inventories at the end of the year</u></b>					
Finished Goods	377.09	377.09	473.42	191.48	141.47
Working In Progress/Semi Finished Goods	683.27	683.27	522.31	513.25	455.20
<b><u>Inventories at the beginning of the year</u></b>					
Finished Goods	191.48	473.42	191.48	141.47	157.38
Working In Progress/Semi Finished Goods	513.25	522.31	513.25	455.20	579.75
<b>Net(Increase)/decrease</b>	<b>(355.64)</b>	<b>(64.63)</b>	<b>(291.01)</b>	<b>(108.06)</b>	<b>140.46</b>



**EMPLOYEE BENEFITS EXPENSES****Annexure 29**

Particulars	From 1st Apr 2023 to 31st Mar 2024	From 30th Oct 2023 to 31st March 2024	From 01st Apr 2023 to 29th Oct 2023	For the year ended 31st March 2023	For the year ended 31st March 2022
(a) Salaries and Wages	192.64	99.55	93.09	170.09	164.69
(b) Contributions to Provident Fund & Other Fund					
Provident fund & ESIC	0.80	0.32	0.48	1.51	1.74
(c) Worker Insurance	0.11	-	0.11	-	0.41
(d) Partner's Remuneration	-	-	-	-	10.00
(e) Staff welfare expenses	3.97	1.40	2.57	2.29	2.02
<b>Total</b>	<b>197.52</b>	<b>101.27</b>	<b>96.25</b>	<b>173.90</b>	<b>178.86</b>

**FINANCE COST****Annexure 30**

Particulars	From 1st Apr 2023 to 31st Mar 2024	From 30th Oct 2023 to 31st March 2024	From 01st Apr 2023 to 29th Oct 2023	For the year ended 31st March 2023	For the year ended 31st March 2022
(a) Interest expense :-					
(i) Borrowings	70.37	42.98	27.39	43.39	29.18
(ii) Others					
- Interest on TDS		-	-	-	0.02
- Partners Capital		-	-	-	-
(b) Other borrowing costs	26.56	10.19	16.37	2.68	-
<b>Total</b>	<b>96.93</b>	<b>53.17</b>	<b>43.76</b>	<b>46.07</b>	<b>29.20</b>

**DEPRECIATION AND AMORTISATION****Annexure 31**

Particulars	From 1st Apr 2023 to 31st Mar 2024	From 30th Oct 2023 to 31st March 2024	From 01st Apr 2023 to 29th Oct 2023	For the year ended 31st March 2023	For the year ended 31st March 2022
Depreciation Exp	63.86	28.74	35.12	44.98	34.76
<b>Total</b>	<b>63.86</b>	<b>28.74</b>	<b>35.12</b>	<b>44.98</b>	<b>34.76</b>

**OTHER EXPENSES**
**Annexure 32**

Particulars	From 1st Apr 2023 to 31st Mar 2024	From 30th Oct 2023 to 31st March 2024	From 01st Apr 2023 to 29th Oct 2023	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Manufacturing Expenses</b>					
Power Fuel expenses	85.69	52.88	32.81	94.39	85.77
Calibration Charges	0.04	0.04	-	-	0.03
Import Clearing and Agency Charges	-	-	-	0.96	0.86
Job work Expenses	54.80	16.34	38.46	20.59	11.00
Machinery/Shed Rent Expenses	3.00	3.00	-	-	-
Machinery Tool Reapairing Expenses	9.48	5.70	3.78	12.43	13.25
Material Testing	0.50	0.12	0.38	0.52	0.53
Nical Planting Expenses	-	-	-	-	1.75
Rate Difference	-	-	-	-	2.61
Transportation Charges	5.11	3.16	1.95	4.41	7.04
	-				
<b>Selling and distribution Expenses</b>	-				
Advertisement and Marketing Expenses	2.28	1.53	0.75	-	-
Discount Expenses	0.05	-	0.05	0.11	0.09
	-				
<b>Establishment Expenses</b>	-				
Security Service Expense	2.08	0.52	1.56	2.54	1.65
Bank Charges	1.93	0.03	1.90	0.14	1.23
Factory Repairing Expenses	29.12	6.90	22.22	6.48	2.58
Vehicle Expense	0.41	-	0.41	1.25	0.21
Shed Rent Expenses	4.52	1.52	3.00	6.01	6.02
Water Expenses	-	-	-	0.70	0.95
Insurance Expenses	1.96	1.96	-	1.71	0.90
Auditor Fees	1.20	0.50	0.70	0.40	0.30
Printing & Stationery Exp	0.52	0.39	0.13	0.66	0.16
Export Clearing & Forwarding	3.47	3.45	0.02	1.64	3.18
Loading Unloading Charges	-	-	-	1.50	0.81
Legal & Professional Fees	32.01	24.18	7.83	1.74	1.81
Travelling Expenses	5.43	3.12	2.31	3.57	5.65

Postage & Courier Charges	0.01	0.01	-	0.07	0.08
ISO Expenses	0.36	-	0.36	0.11	0.11
Donation	-	-	-	-	-
Rates & Taxes	1.48	0.59	0.89	-	0.34
Office exp.	2.43	1.11	1.32	3.81	1.68
ROC Fees	7.61	0.03	7.58	-	-
Repairs and Maintenance Expenses	4.57	2.74	1.83	0.99	2.48
Telephone Expenses	0.22	0.01	0.21	0.01	-
Loss On Fixed Assets Sale	0.83	0.83	-	-	-
Misc Expenses	0.20	0.13	0.07	0.01	-
<b>Total</b>	<b>261.31</b>	<b>130.79</b>	<b>130.52</b>	<b>166.74</b>	<b>153.04</b>

**PAYMENT TO AUDITORS AS:**

**Annexure 32.1**

Particulars	From 1st Apr 2023 to 31st Mar 2024	From 30th Oct 2023 to 31st March 2024	From 01st Apr 2023 to 29th Oct 2023	For the year ended 31st March 2023	For the year ended 31st March 2022
Payment to auditors					
a. Statutory Audit fees	1.20	0.50	0.70	0.40	0.30
b. taxation matters		-	-	-	-
c. company law matters		-	-	-	-
<b>Total</b>	<b>1.20</b>	<b>0.50</b>	<b>0.70</b>	<b>0.40</b>	<b>0.30</b>

**Reconciliation of Restated profit:****Annexure 33**

Adjustments for	From 1st Apr 2023 to 31st Mar 2024	From 30th Oct 2023 to 31st March 2024	From 01st Apr 2023 to 29th Oct 2023	For the year ended 31st March 2023	For the year ended 31st March 2022
Net profit/(Loss) after Tax as per Audited Profit & Loss Account	622.53	349.58	272.95	79.28	93.47
<b><u>Adjustments for:</u></b>	-	-	-	-	-
Effect of Changes of depreciation	41.32	6.65	34.67	43.03	39.18
Income Tax Provision	0.61	-45.86	46.47	-18.42	(21.41)
Deferred Tax Liability / Asset Adjustment	(19.04)	76.82	- 95.86	(10.53)	(9.93)
Loss/(Profit) on Sale of Assets	-	-	-	-	0.19
Prior Period Fixed Amortization Adjustment	-	-	-	-	0.00
<b>Net Profit/ (Loss) After Tax as Restated</b>	<b>645.42</b>	<b>387.19</b>	<b>258.23</b>	<b>93.37</b>	<b>101.50</b>

**Note :****1 Deferred Tax Liability/ Asset Adjustment**

In Audited Financial Statements, there was mistake in calculating Deferred Tax Asset/Liability which is rectified in Restated Financial Statements.

**2 Effect of Changes of depreciation**

In Audited Financial Statements, there was calculation of depreciation based on Income tax Act, 1961 but same shall be rectified by charging depreciation as per schedule ii companies act, 2013.

**3 Deferred Tax Liability/ Asset Adjustment**

In Audited Financial Statements, of partnership firm no effect of deferred tax liability/assets has been incorporated but same has been consider while calculating Deferred Tax Asset/Liability which is rectified in Restated Financial Statements.

**4 Prior Period Fixed Amortization Adjustment**

In restated financials statements effect of prior period Adjustment in Depreciation Exp as per the Companies Act, 2013 has been incorporated.

**5 To Give Explanatory Notes regarding Adjustments**

Appropriate adjustments have been made in the restated financial statements, wherever required by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the company for all the years and the requirements of the securities and Exchange board of India ( Issue of Capital and Disclosure Requirement ) Regulations 2018.

Due to changes in accounting policies and other adjustments as stated above, the Company has recalculated the Income-tax provision and MAT Credit Entitlement and Set-off thereof at the rate of normal Tax rate applicable at the end of relevant year and accordingly, their readjusted amounts have been provided in Tax Shelter.

Related party disclosure			Annexure 34		
(a)	Related Parties				
	Name of the party		Nature of relationship		
	Hitesh Pragjibhai Dudhagara		Director/Partner(Also having substantial interest in Company)		
	Ronak Hitesh Dudhagara		Director/partner(Also having substantial interest in Company)		
	Ghanshyamlal Badrilal Somani		Director/partner(Also having substantial interest in Company)		
	Sprayking Limited ( Formerly know as "Sprayking Agro Equipment Limited"		Holding Company/partner(Also having substantial interest in Company)		
	Pragjibhai Meghajibhai Dudhagara		Director/partner(Also having substantial interest in Company)		
	Parvatiben Pragjibhai Dudhagara		Director/partner(Also having substantial interest in Company)		
	Somani Impex		Enterprise in which Partner/Director is interested		
	Ghanshyamlal & Co		Enterprise in which Partner/Director is interested		
	Narmadeshwar Metal pvt Ltd		Enterprise in which Partner/Director is interested		
	Krish Hitesh Dudhagara		Director/partner(Also having substantial interest in Company)		
	# All the below mentioned transactions are on arm's length basis.				
(b) Particulars of transactions with related parties					
(Rs. In Lakhs)					
Particulars	Nature of Transactions	Mrch 31,2024	October 29, 2023	March 31, 2023	March 31, 2022
Sprayking Limited ( Formerly know as "Sprayking Agro Equipment Limited"	Purchase	-	293.97	637.38	474.06
	Machinery Rent	-	-	-	-
	Sale	3.82	176.07	753.12	757.49
	Job Work Income	68.49	299.39	-	-
	Machinery Purchase	-	-	-	-
	Job Work Expenses	4.92	-	-	-
	Unsecured Loan	-	-	-	-
	Opening Balance	-	-	-	-
	Loan Transfer from Capital	733.65	-	-	-
	Loan Received	-	-	-	-
	Loan Repaid	-	-	-	-
	Closing Balance	733.65	-	-	-
		-	-	-	-

	<b>Partner's Capital A/c</b>	-	-	-	-
	Opening Balance	853.65	-	-	-
	Addition	-	675.47	-	-
	Revaluation of Assets	-	-	-	-
	Profit/(Loss)	-	178.18	-	-
	Withdrawals	-	-	-	-
	Transfer to unsecured Loan	733.65	-	-	-
	Closing Balance	120.00	853.65	-	-
	<b>Unsecured Loan</b>				
Hitesh Dudhagara	Opening Balance	-	-	-	-
	Loan transfer from capital	303.69	-	-	-
	Loan received	-	-	-	-
	Loan Repaid	-	-	-	-
	Closing Balance	303.69	-	-	-
	<b>Partner's Capital A/c</b>				
	Opening Balance	343.19	172.30	66.46	68.72
	Addition	-	94.09	176.86	34.69
	Remuneration	-	-		2.00
	Interest	-	-		
	Profit/(Loss)	-	76.80	-	-
	Withdrawals	-	-	71.02	38.95
	Transfer to unsecured Loan	303.69			
	Closing Balance	39.50	343.19	172.30	66.46
Ronak Hitesh Dudhagara	Rent	4.50	3.00	6.00	6.00
	<b>Unsecured Loan</b>				
	Opening Balance	-	-	-	-
	Loan transfer from capital	223.67	-	-	-
	Loan received	3.57	-	-	-
	Loan Repaid	-	-	-	-
	Closing Balance	227.24	-	-	-

	Partner's Capital A/c				
	Opening Balance	263.17	149.86	72.59	61.24
	Addition	-	64.88	173.79	41.03
	Remuneration	-	-	-	3.00
	Interest	-	-	-	-
	Withdrawals	-	15.00	96.52	32.68
	Profit/(Loss)		63.43	-	-
	Transfer to unsecured Loan	223.67	-	-	-
	Closing Balance	39.50	263.17	149.86	72.59
	Land & Building Deposit				55.00
Ghanshyamlal Badrilal Somani	<b>Unsecured Loan</b>				
	Opening Balance	670.07	-	-	-
	Loan transfer from capital		512.10	-	-
	Loan received		157.97	-	-
	Loan Repaid	200.00	-	-	-
	Closing Balance	470.07	670.07	-	-
	<b>Partner's Capital A/c</b>				
	Opening Balance	-	512.10	149.40	98.80
	Addition	-	-	390.24	46.74
	Remuneration	-	-	-	5.00
	Interest	-	-	-	-
	Withdrawals	-	-	27.54	1.14
	Transfer to unsecured Loan		512.10		
	Closing Balance	-	-	512.10	149.40
Krish Hitesh Dudhagara	<b>Partner's Capital A/c</b>				
	Opening Balance	0.20		-	-
	Addition	-	0.20	-	-
	Withdrawals	-		-	-
	Closing Balance	0.20	0.20	-	-
Parvatiben Pragjibhai Dudhagara	<b>Partner's Capital A/c</b>				

	Opening Balance	0.20		-	-
	Addition	-	0.20	-	-
	Withdrawals	-		-	-
	Closing Balance	0.20	0.20	-	-
Pragjibhai Meghajibhai Dudhagara	<b>Partner's Capital A/c</b>				
	Opening Balance	0.20		-	-
	Addition	-	0.20	-	-
	Withdrawals	-		-	-
	Closing Balance	0.20	0.20	-	-
Shashank Pravinchandra Doshi	<b>Partner's Capital A/c</b>				
	Opening Balance	0.40		-	-
	Addition	-	0.40	-	-
	Withdrawals	-		-	-
	Closing Balance	0.40	0.40	-	-
Somani Impex	Purchase	24.41	369.70	358.23	661.21
	Sales	-	-	212.38	-
Ghanshyamlal & Co	Purchase	60.95	26.75	814.64	607.98
Narmadeshwar Metal pvt Ltd	Purchase	388.86		-	-
	Sales		42.16	16.25	-
	Job Work Expense		27.68		-
	Job Work Income	23.80	61.10		-



**Summary of Accounting Ratios**
**Annexure 35**

Ratios	From 1st Apr 2023 to 31st Mar 2024	From 30th Oct 2023 to 31st March 2024	From 01st Apr 2023 to 29th Oct 2023	For the year ended 31st March 2023	For the year ended 31st March 2022
Restated PAT as per P&L Account	645.41	387.19	258.22	93.37	101.50
Weighted Average Number of Equity Shares at the end of the Year/Period	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
No. of equity shares at the end of the year/period	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Net Worth	587.19	587.19	1,457.30	891.59	331.71
EBIDTA	1,106.81	617.46	516.74	210.68	196.78
<b>Earnings Per Share</b>					
Basic & Diluted EPS	32.27	19.36	12.91	4.67	5.07
<b>Return on Net Worth (%)</b>	109.92%	65.94%	17.72%	10.47%	30.60%
<b>Net Asset Value Per Share (Rs)</b>	29.36	29.36	72.87	44.58	16.59
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00	10.00

Notes :

1. Ratios have been calculated as below

Basic and Diluted Earnings Per Share (EPS) (Rs.)

Restated Profit after Tax available to equity Shareholders

Weighted Average Number of Equity Shares at the end of the year / period

Return on Net Worth (%)

Restated Profit after Tax available to equity Shareholders

Restated Net Worth of Equity Shareholders

Net Asset Value per equity share (Rs.)

Restated Net Worth of Equity Shareholders

Number of Equity Shares outstanding at the end of the year / period

2 While calculating the above accounting Ratios we are considered that if the share allotted at time of conversion are outstanding from period which are covered under restated financials.

3. Basic and Diluted EPS calculations are in accordance with Ind AS 33 "Earnings per Share", notified under section 133 of Companies Act, 2013 read together along with paragraph 7 of Companies (Accounting) Rules, 2014.

Statement of Tax Shelters					Annexure 36
Particulars	From 1st Apr 2023 to 31st Mar 2024	From 30th Oct 2023 to 31st March 2024	From 01st Apr 2023 to 29th Oct 2023	For the year ended 31st March 2023	For the year ended 31st March 2022
Profit before tax as per books (A)	972.57	518.35	454.22	122.31	132.84
Normal Corporate Tax Rate (%)	25.17%	25.17%	25.17%	25.17%	25.17%
Normal Corporate Tax Rate (Other Source)(%)	25.17%	25.17%	25.17%	25.17%	25.17%
MAT Rates	N.A.	N.A.	N.A.	N.A.	N.A.
Tax at notional rate of profits	244.80	130.47	114.33	30.79	33.44
<b>Adjustments :</b>					
<b>Permanent Differences(B)</b>					
Expenses disallowed/Income disallowed under Income Tax Act, 1961					
Loss/(Gain) on Sale of Fixed Assets	0.83	0.83	-	-	-
Donations		-	-	-	-
Income tax Paid	0.06	0.06	-	-	-
Interest Paid on TDS	-	-	0.09	-	0.02
<b>Total Permanent Differences(B)</b>	<b>0.89</b>	<b>0.89</b>	<b>0.09</b>	<b>-</b>	<b>0.02</b>
Income from Other Sources	2.06	1.09	0.97	1.38	1.47
Income from Capital Gain	-	-	-	-	-
<b>Total Income considered separately (C)</b>	<b>2.06</b>	<b>1.09</b>	<b>0.97</b>	<b>1.38</b>	<b>1.47</b>
<b>Timing Differences (D)</b>					
Difference between tax depreciation and book depreciation	(106.66)	(50.23)	(56.43)	(41.83)	(39.27)
Depreciation as per P & L A/c	63.86	28.74	35.12	44.98	34.76
Depreciation as per Income tax	170.52	78.97	91.55	86.80	74.03
Disallowance u/s 43B	-	-	-	-	-
<b>Total Timing Differences (D)</b>	<b>(106.66)</b>	<b>(50.23)</b>	<b>(56.43)</b>	<b>(41.83)</b>	<b>(39.27)</b>
<b>Net Adjustments E = (B+D)</b>	<b>(105.77)</b>	<b>(49.34)</b>	<b>(56.34)</b>	<b>(41.83)</b>	<b>(39.26)</b>
<b>Tax expense / (saving) thereon</b>	<b>(26.62)</b>	<b>(12.42)</b>	<b>(14.18)</b>	<b>(10.53)</b>	<b>(9.88)</b>
<b>Long Term Capital Gain (F)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Dividend Income	0.97	-	0.97	0.97	0.97
Interest on PGVCL	1.09	1.09	-	0.41	0.50
<b>Income from Other Sources (G)</b>	<b>2.06</b>	<b>1.09</b>	<b>0.97</b>	<b>1.38</b>	<b>1.47</b>
<b>Deduction u/s VI-A</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Loss of P.Y. Brought Forward &amp; Adjusted(H)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Brought Forward Business Loss	-	-	-	-	-
Brought Forward Capital Gain loss	-	-	-	-	-
Brought Forward Depreciation	-	-	-	-	-
Brought Forward MAT Credit	-	-	-	-	-
Taxable Income/(Loss) (A+E+F+G)	<b>866.80</b>	<b>469.01</b>	<b>397.88</b>	<b>80.49</b>	<b>93.59</b>
<b>Taxable Income/(Loss) as per MAT</b>	972.57	518.35	454.22	122.31	132.84
<b>Disallowance as per MAT</b>	-	-	-	-	-
<b>Tax as per MAT</b>	-	-	-	-	-
<b>Basic Tax</b>	-	-	-	-	-
<b>Surcharge</b>	-	-	-	-	-
<b>Edu cess</b>	-	-	-	-	-
<b>Tax as per Normal Calculation</b>	218.16	118.04	100.14	18.42	21.41
<b>Basic Tax</b>	190.70	103.18	87.53	17.71	20.59
<b>Surcharge</b>	19.07	10.32	8.75	-	-
<b>Edu cess</b>	8.39	4.54	3.85	0.71	0.82
<b>MAT Credit Used</b>	-	-	-	-	-
<b>Income Tax as returned/computed</b>	218.16	118.04	100.14	18.42	21.41
<b>Interest Payable</b>	-	-	-	-	-
Tax paid as per normal or MAT	Normal	Normal	Normal	Normal	Normal

**Capitalisation Statement as at 31st March, 2024****Annexure 37**

Particulars	Pre Issue	Post Issue
<b>Borrowings</b>		
Short term debt (A)	2,529.77	[*]
Long Term Debt (B)	92.33	[*]
<b>Total debts (C)</b>	<b>2,622.10</b>	<b>-</b>
<b>Shareholders' funds</b>		
Equity share capital	200.00	[*]
Reserve and surplus - as restated	387.19	[*]
<b>Total shareholders' funds</b>	<b>587.19</b>	<b>-</b>
<b>Long term debt / shareholders funds</b>	<b>0.16</b>	<b>[*]</b>
<b>Total debt / shareholders funds</b>	<b>4.47</b>	<b>[*]</b>

**Notes:**

1. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at March 31, 2024.

**Ratio Analysis**
**Annexure 38**

Ratio	Numerator	Denominator	From 01st Apr 2023 to 31st March 2024	From 30th Oct 2023 to 31st March 2024	From 01st Apr 2023 to 29th Oct 2023	For the year ended 31st March 2023	For the year ended 31st March 2022	% change from March 31, 2023 to March 31, 2024	% change from March 31, 2022 to March 31, 2023	% change from March 31, 2021 to March 31, 2022
<b>Current ratio</b>	Current Assets	Current Liabilities	0.92	0.92	1.22	1.17	0.93	-21.26%	26.09%	-1.39%
<b>Debt- Equity Ratio</b>	Total Debt	Shareholder's Equity	4.47	4.47	0.67	0.67	1.46	570.82%	-54.41%	-34.25%
<b>Debt Service Coverage ratio</b>	Earnings before interest, depreciation and taxes	Interest & Lease Payments + Principal Repayments	0.42	0.23	0.60	0.39	0.48	7.13%	-18.45%	166.82%
<b>Return on Equity ratio</b>	Net Profits after taxes – Preference Dividend	Shareholder's Equity	1.10	0.66	0.18	0.10	0.31	949.59%	-65.77%	93.34%
<b>Inventory Turnover ratio</b>	Revenue from operations	Average Inventory	6.09	3.09	2.63	5.15	3.80	18.29%	35.63%	12.52%
<b>Trade Receivable Turnover Ratio</b>	Revenue from operations	Average Trade Receivable	17.30	8.76	4.71	21.32	9.98	-18.89%	113.64%	18.43%
<b>Trade Payable Turnover Ratio</b>	Cost of goods sold	Average Trade Payables	15.03	7.31	5.93	5.05	2.48	197.47%	103.96%	-13.43%
<b>Net Capital Turnover Ratio</b>	Revenue from operations	Working capital	(27.15)	(13.76)	6.31	27.82	(32.26)	-197.62%	-186.22%	45.16%
<b>Net Profit ratio</b>	Net Profit	Revenue from operations	0.08	0.10	0.07	0.02	0.02	425.43%	-32.08%	33.73%
<b>Return on Capital Employed</b>	Earnings before interest and taxes	Tangible Net Worth + Total Debt + Deferred Tax Liability	0.32	0.17	0.19	0.11	0.19	187.81%	-42.57%	66.10%

**Percentage Change from 31st March 2023 to 31st March 2024**

Particular	Reasons
Debt- Equity Ratio	Due to increases in Debts which affects the Ratio Positively.
Return on Equity Ratio	Due to increase in Revenue of the company which leads to Higher Return and affects the Ratio Positively.
Trade Payable Turnover Ratio	Due to Timely payment to Creditors or advance payment ratio affects positively.
Net Capital Turnover Ratio	Due to Negative Working capital, which affects the ratio Negatively.
Net Profit ratio	Due to Increase in Turnover of the company during the year, Which affects the Net Profit Ratio Positively.
Return on Capital Employed	Due to Increases in Turnover of the company also leads to Higher Profitability, Which affects Ratio Positively.

**Percentage Change from 31st March 2022 to 31st March 2023**

Particular	Reasons
Current ratio	Due to the paying off trade payables improves the current ratio by decreasing current liabilities, which affects the Ratio Positively.
Debt- Equity Ratio	Due to increases in Debt as compared to Previous year, which affects ratio Negatively.
Return on Equity Ratio	Due to increases in Debt as compared to Previous year, which affects ratio Negatively.
Inventory Turnover ratio	Due to increases in Revenue from operation majorly as compared to the previous year, which affects the Ratio Positively.
Trade Receivable Turnover Ratio	Due to Increase in Turnover as compared to the Previous year, Affects Increase in Receivable of the company and affects the Trade Receivable Ratio Positively.
Trade Payable Turnover Ratio	Due to Increase in Purchases as compared to the Previous year, Affects Increase in payable of the company and affects the Trade Payable Ratio Positively.
Net Capital Turnover Ratio	Due to Increase in Turnover as well as Profit of the company, Which affects the Net Capital Turnover Ratio Positively.
Net Profit ratio	Due to Returns are not increases as compared to increment in the Revenue of the company, which affects the ratio Negatively.
Return on Capital Employed	Due to increases in Debt as compared to Previous year, which affects ratio Negatively.

**Percentage Change from 31st March 2021 to 31st March 2022**

Particular	Reasons
Debt- Equity Ratio	Due to higher profits will increase a company's retained earnings, which are part of shareholders' equity and thus which affects the ratio negatively.
Debt Service Coverage ratio	Due to increases in profits lead to higher Debt Service Coverage Ratio and affects ratio positively.
Return on Equity Ratio	Due to increases in Turnover also leads to increases in Profitability, affects the ratio Positively.
Net Capital Turnover Ratio	Due to Increases in Turnover of the company also leads to Higher Profitability, Which affects the Net Capital Turnover Ratio Positively.
Net Profit ratio	Due to Increase in Turnover of the company during the year, Which affects the Net Profit Ratio Positively.
Return on Capital Employed	Due to Increases in Turnover of the company also leads to Higher Profitability, Which affects Ratio Positively.

39. The previous year's figures have been reworked, regrouped, and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current annual financial statements and are to be read in relation to the amounts and other disclosures relating to the current financial year.
40. The Company has not revalued its Property, Plant and Equipment for the current year.
41. There is no Intangible assets under development in the current year.
42. There is no capital work in progress under development in the current year.
43. Credit and Debit balances of unsecured loans, sundry creditors, sundry Debtors, loans and Advances are subject to confirmation and therefore the effect of the same on profit could not be ascertained.
44. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
45. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
46. No proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder.
47. The company has not been declared as willful defaulter by any bank or financial institution or government or government authority.
48. The Company has not advanced or loaned to or invested in funds to any other person(s) or entity (is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- a. directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
49. The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- a. directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
50. The company does not have transaction with the struck off under section 248 of companies act, 2013 or section 560 of Companies act 1956.
51. The company is in compliance with the number of layers prescribed under clause (87) of section 2 of company's act read with companies (restriction on number of layers) Rules, 2017.

**52. Foreign Currency Transactions: -**

Sr. No	Particulars	Year Ended on 31st Mar 2024	Year Ended on 29th Oct 2023	Year Ended on 31st March 2023	Year Ended on 31st March 2022
1	Expenditure in Foreign Currency	-	-	206.00	205.19
2	Earnings in Foreign Currency	111.26	-	258.36	260.90

**53. Notes forming part of accounts in relation to Micro and small enterprise**

Based on information available with the company, on the status of the suppliers being Micro or small enterprises, on which the auditors have relied, the disclosure requirements of Schedule III to the Companies Act, 2013 with regard to the payments made/due to Micro and small Enterprises are given below :

Sr. No	Particulars	Year Ended on 31st March 2024		Year Ended on 29th Oct 2023		Year Ended on 31st March 2023		Year Ended on 31st March 2022	
		Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
I	Amount due as at the date of Balance sheet	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii	Amount paid beyond the appointed date during the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
iii	Amount of interest due and payable for the period of delay in making payments of principal during the year beyond the appointed date	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Iv	The amount of interest accrued and remaining unpaid as at the date of Balance sheet.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

The company has initiated the process of obtaining the confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) but has not received the same in totality. The above information is compiled based on the extent of responses received by the company from its suppliers.



## FINANCIAL INDEBTEDNESS

To,

The Board of Directors,  
Narmadesh Brass Industries Limited

Plot No. 5, 8 & 9, Survey No. 433,  
Shree Ganesh Industrial Hub,  
Changa Village, Jamnagar - 361 012,  
Gujarat, India.

Subject: Certificate for Financial Indebtedness

Re: Proposed initial public Issue ("IPO") of equity shares of face value Rs. 10 each ("Equity Shares") by Narmadesh Brass Industries Limited ("Company") ("Issue") in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), and other applicable laws, as amended

**B. B. Gusani & Associates**, Chartered Accountants, Expert of the Company hereby certify the following, based on our review of the corporate records of the Company including the minutes of the meetings of the Board of Directors, Restated Financial Information of the Company and, comprising of the Restated Statement of Assets and Liabilities as at 31st March, 2024, as at 29th October 2023 March 31, 2023, March 31, 2022 and, the Restated Statements of Profit and Loss, the Restated Statement of Changes in Equity and the Restated Cash Flow Statement for the 31st March, 2024, as at 29th October 2023 March 31, 2023, March 31, 2022 the Summary Statement of Significant Accounting Policies and other explanatory information (collectively, the "**Restated Financial Information**"), prepared in accordance with the Companies Act, 2013, as amended (the "**Companies Act**") and Indian GAAP prescribed under the Companies Act (Indian Accounting Standards) Rules, 2015 and restated in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**") and the reports issued thereon:

The outstanding borrowings of the Company, on a standalone basis, were as follows:

### SECURED BORROWINGS

As on March 31, 2024, we have not availed secured loans as on the date of the Draft Prospectus.

Sr. No.	Lender	Nature of facility	Sanction limit	Date of Sanction of Loan	Amount outstanding as at March 31, 2024 (In Lakhs)	Rate of interest (%)	Repayment terms	Security/Principal terms and conditions
1	HDFC Bank Term Loan	Term Loan	1420.79	7/28/2023	57.69	9.00%	Amount Payable on 7th date of every month Starting from 07-10-2023 at Installment of Rs. 504,518/-	Industrial property Plot No.3,4,5,8,9 Lalpur, Residential Flat 301,302,401,402 near jakat naka. Interest levy: charged 18% p.a on overdue /delays/default of any monies payable. processing fees 0.50%, BB Renewal Fess 0.25%, BB Foreclosure Charges 2% up to 3 year and than after 1%.
2	HDFC Bank Term Loan	Term Loan		7/28/2023	77.12	9.00%	Amount Payable on 7th date of every month Starting from 07-10-2023 at Installment of Rs. 239,451/-	
3	HDFC Bank Limited	Cash Credit		7/28/2023	972.70	9.00%	On Demand	

\*Terms and Conditions:

1 Takeover norms as per Bank's policy to be complied with. The limit proposed to be taken over should be regular. Tenor of Term Loan should be lower of two i.e. proposed or residual tenor of Term Loans proposed to be taken over.

2 Banks disbursement for each tranche to be made directly to the project vendor whose quotation has been submitted for assessing the term loan (Except for other fixed assets whose quotations were not called for and hence can be chosen by the firm) on the written request of the borrower, receipt of the supporting invoices/bills @ and CA confirming the cost incurred till the previous tranche of disbursement OR reimbursement of expenses to 4 be Promoter's Contribution towards the project should be brought up front and same should be certified by CA. For prior to disbursement.

3 All tranche of disbursement |s to be backed by proper invoices. Minimum margin to be brought is 25% of cost. Undertaking from the borrower that any increase in project cost on account of any 'item not listed in the project Details submitted for evaluation will be funded by the promoter.

4 Reimbursement Clause for TI:

- Reimbursement to Be Done In Cc Account of Client.
- Invoice Date Should Not Be More Than Six Months Old.
- Promoters' Margin to Be Deducted Prior To Reimbursement.

## UNSECURED BORROWINGS

### Details of Unsecured Borrowings:

Sr. No.	Lender	Company/ Name of Director	Date of Sanction of Loan	Amount outstanding as at March 31, 2024 (In Lakhs)	Rate of interest (%)	Repayment terms	Terms
1	Hitesh Pragajibhai Dudhagara	Issuer Co.	30.10.2023	303.69	0.00%	Re-Payable on demand	Unsecured Loan from Director
2	Ronak Hitesh Pragajibhai Dudhagara	Issuer Co.	30.10.2023	227.24	0.00%	Re-Payable on demand	Unsecured Loan from Director
3	Sprayking Limited	Issuer Co.	30.10.2023	733.65	0.00%	Re-Payable on demand	Unsecured Loan from Holding Company
4	Skytone Logistic Park LLP	Issuer Co.	1.07.2023	250.00	0.00%	Re-Payable on demand	Unsecured Loan from others

**For B. B. Gusani & Associates,**  
**Chartered Accountants**  
**FRN: 140785W**

**CA Bhargav Gusani**  
**Proprietor**  
**Membership No: 120710**  
**Place: Jamnagar**  
**Date: 11/07/2024**  
**UDIN: 24120710BJZWEZ5769**

## MANAGEMENTS DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

*The following discussion of our financial condition and results of operations should be read in conjunction with Our Restated Financial Statements for the period ended March 31, 2024, March 31, 2023, March 31, 2022 prepared in accordance with 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 and Ind AS and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, include in “Financial Statements” beginning on page no.153 of this Draft Prospectus.*

*There are significant differences between Indian GAAP and IND (AS). The Company has not attempted to quantify their impact in the restated financial statements position included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial position. Accordingly, to what extent, the financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.*

*This Draft prospectus contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in “Risk Factors” and “Forward-Looking statement” beginning on page no. 29 and page no. 22, of this Draft Prospectus.*

### COMPANY OVERVIEW

Our Company was originally formed as a partnership firm under the Indian Partnership Act, 1932 in the name and style of “M/s. Narmada Brass Industries”, pursuant to a deed of partnership entered between Mr. Hitesh Pragajibhai Dudhagara, Ms. Ronak Hitesh Dudhagara, and Mr. Ghanshyamlal Badrilal Somani executed on August 29, 2019. Further the Partnership Firm “M/s. Narmada Brass industries” was converted into Public Limited Company “Narmadesh Brass industries Limited” pursuant to Part I of chapter XXI of the Companies Act, 2013 vide Certificate of Incorporation dated October 30, 2023 bearing registration No. 145839 issued by Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U24209GJ2023PLC145839.

### BUSINESS OVERVIEW

We manufacture and sell a variety of products in the Indian market and for export, including agricultural sprayer parts, garden fittings, ball valves, non-return valves (NRVs), brass billets and copper ingots, turning components, brass pipe and plumbing fittings, sanitary fittings, brass compression fittings, extruded brass rods, lead-free brass fittings, and specialty forged items. We also handle casting, forging, and scrap selling related to brass components.

In casting, we pour liquid material into a mould to create complex shapes that solidify into the desired form. We offer customized products and ensure high quality through strict internal controls. Our manufacturing unit is in Jamnagar. Additionally, we source specific customer requirements from our suppliers and assemble the final products for delivery.

The sale of various brass components such as brass billets, rods, fitting parts, sanitary parts, agricultural parts, valve parts, and electrical parts can be categorized under the broader categories are as follows:

Broader Category	Specific Sales Item
Agricultural Sprayer Parts	Sale of in house manufactured Brass Agricultural Parts
Garden Fittings	Sale of in house manufactured Brass Fitting Parts, Sale of Brass Sanitary Parts
Ball Valves & Non-Return Valves (NRVs)	Sale of in house manufactured Brass Valve Parts
Turning Components	Sale of in house manufactured Brass Fitting Parts
Brass Pipe and Plumbing Fittings	Sale of in house manufactured Brass Pipe and Plumbing Fittings
Sanitary Fittings	Sale of in house manufactured Brass Sanitary Parts
Brass Compression Fittings	Sale of in house manufactured Brass Compression Fittings
Extruded Brass Rods	Sale of in house manufactured Brass Rods
Lead-Free Brass Fittings	Sale of in house manufactured Lead-Free Brass Fittings
Specialty Forged Items	Sale of in house manufactured Specialty Forged Items
General Brass Components & Allied Activities (casting, forging)	Sale of in house manufactured Brass Billets, Sale of Brass Rods, Sale of Brass Electrical Parts

The sales items are specific products that fit within the broader categories of agricultural sprayer parts, garden fittings, valves, turning components, and various brass fittings and forged items. Each specific sale item is part of the product portfolio that includes more general categories of brass components and related activities. Our company is involved in manufacturing. In manufacturing, we offer agricultural sprayer parts, garden fittings, ball valves, NRVs, turning components, brass pipe and plumbing fittings, sanitary fittings, extruded brass rods, and lead-free brass fittings. On the manufacturing side, we specialize in forging and casting.

## FACTORS AFFECTING OUR RESULT OF OPERATIONS

Except as otherwise stated in this Draft Prospectus and the Risk Factors given in the Draft Prospectus, the following important factors could cause actual results to differ materially from the expectations include, among others:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in consumer demand;
- Failure to successfully upgrade our product portfolio, from time to time;
- Any change in government policies resulting in increases in taxes payable by us;
- Our ability to retain our key managements persons and other employees;
- Changes in laws and regulations that apply to the industries in which we operate.
- Our failure to keep pace with rapid changes in technology;
- Our ability to grow our business;
- Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
- general economic, political and other risks that are out of our control;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Company's ability to successfully implement its growth strategy and expansion plans;
- failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- inability to successfully obtain registrations in a timely manner or at all;
- occurrence of Environmental Problems & Uninsured Losses;
- conflicts of interest with affiliated companies, the promoter group and other related parties;
- any adverse outcome in the legal proceedings in which we are involved;
- Concentration of ownership among our Promoter;
- The performance of the financial markets in India and globally;
- Global distress due to pandemic, war or by any other reason.

## STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to “Annexure IV of Restated Financial Statements” beginning on page 153 of this Draft Prospectus.

## RESULTS OF OUR OPERATIONS

(Amount ₹ in lakhs)

Particulars	For the year ended March 31, 2024	% of Total Income	For the year ended March 31, 2023	% of Total Income	For the year ended March 31, 2022	% of Total Income
<b>INCOME</b>						
Revenue from Operations	7888.45	99.78%	5996.18	99.78%	4426.86	99.59%
Other Income	17.66	0.22%	13.03	0.22%	18.20	0.41%
<b>Total Income(A)</b>	<b>7906.11</b>	<b>100.00%</b>	<b>6009.21</b>	<b>100.00%</b>	<b>4445.06</b>	<b>100.00%</b>
<b>EXPENDITURE</b>						
Cost of material consumed	6669.55	84.36%	5563.27	92.58%	3775.90	84.95%
Changes in inventories of finished goods	(355.64)	(4.50)%	(108.06)	(1.80)%	140.46	3.16%
Employee benefits expense	197.52	2.50%	173.90	2.89%	178.86	4.02%
Finance costs	96.93	1.23%	46.07	0.77%	29.20	0.66%

Depreciation and amortization expense	63.86	0.81%	44.98	0.75%	34.76	0.78%
Other expenses	261.31	3.31%	166.74	2.77%	153.04	3.44%
<b>Total Expenses(B)</b>	<b>6933.54</b>	<b>87.70%</b>	<b>5886.90</b>	<b>97.96%</b>	<b>4312.22</b>	<b>97.01%</b>
<b>Profit before exceptional items and tax(A-B)</b>	<b>972.57</b>	<b>12.30%</b>	<b>122.31</b>	<b>2.04%</b>	<b>132.84</b>	<b>2.99%</b>
Exceptional items	-	-	-	-	-	-
<b>Profit before tax</b>	<b>972.57</b>	<b>15.06%</b>	<b>122.31</b>	<b>2.04%</b>	<b>132.84</b>	<b>2.99%</b>
<b>Tax Expense:</b>						
(i) Current tax	218.18	2.76%	18.42	0.31%	21.41	0.48%
(ii) Deferred tax	108.98	1.38%	10.53	0.18%	9.93	0.22%
(iii) MAT Credit Entitlement	-	-	-	-	-	-
<b>Profit for the year</b>	<b>645.41</b>	<b>8.16%</b>	<b>93.37</b>	<b>1.55%</b>	<b>101.50</b>	<b>2.28%</b>

### ***Main Components of our Profit and Loss Accounts.***

#### ***Income***

Our total income comprises of revenue from operations and other income.

#### ***Revenue from Operations***

Revenue from operations mainly consists of production process of extruded brass rods and forging parts, starting from raw material collection and sorting, through various processing stages, quality control, and ending with packaging and dispatch of the final products.

#### ***Other Income***

Our other income primarily comprises of discount income, Duty Drawback Income, Forex Currency Rate Difference, Subsidy, interest income and other miscellaneous income.

#### ***Expenditure***

Our total expenditure primarily consists of cost of materials consumed, Changes in inventories of finished goods, employee benefit expenses, finance costs, Depreciation and Amortisation Expense and Other Expenses.

#### ***Cost of material consumed***

Our Raw Material consumption comprises primarily of brass scrap, copper scrap and zinc scrap for manufacturing of brass ingots, billets and brass rods and converted into Extruded Brass Rods and Forging Parts.

#### ***Change in inventories of finished goods, work in progress and stock in trade***

Our changes in the inventory comprises of changes in the finished goods, work in progress and stock in trade .

#### ***Employee Benefit Expenses***

Our employee benefits expense comprises of Salaries and wages, Managerial Remuneration/Partners Remuneration and Staff Welfare Expenses.

#### ***Finance costs***

Finance cost comprises of Interest expense and Other Borrowing cost.

#### ***Depreciation and Amortization Expenses***

Depreciation includes depreciation on Property, Plant & Equipments etc.

#### ***Other Expenses***

Other expenses primarily include Manufacturing Expenses, Establishment Expenses and Selling and Distribution Expenses, etc.

#### ***Provision for Tax***

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward

to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

### **Comparison of Financial Year 2024 with Financial Year 2023 (Based on Restated Financial Statements)**

#### ***Income***

Total income for the financial year 2023-24 stood at Rs. 7,906.11 Lakhs whereas in Financial Year 2022-23 the same stood at Rs. 6,009.21 Lakhs representing significant increase of 31.56%. The main reason of increase in total income was :

#### ***Revenue from Operations***

Revenue from Operations for the financial year 2023-24 stood at Rs. 7,888.45 Lakhs whereas in Financial Year 2022-23 the same stood at Rs. 5,996.18 Lakhs representing mainly consists of increasing in :

- Increase in revenue from sale of Brass Valve Parts from Rs. 946.42 lakhs in FY 2022-23 to Rs. 2,465.28 lakhs in F.Y. 2023-24, representing an increase of 160.48 % (y-o-y) & year on year increasing sale of all other products.

#### ***Other Income***

For F.Y. 2023-24, other income has been increased to Rs.17.66 Lakhs as against Rs.13.03 Lakhs in the Financial Year 2022-23 representing an increase of 35.53% which is mainly due to increase in income from Duty Drawback and Subsidy Income.

#### ***Expenditure***

For F.Y. 2023-24, total expense has significantly increased to Rs. 6933.54 Lakhs from Rs. 5886.90 Lakhs in the financial year 2022-23 representing a increase of 17.77%. Such increase was due to increase in the volume of business operations of the Company.

#### ***Cost of raw materials consumed***

For F.Y. 2023-24, raw material consumption was increased to Rs. 6,669.55 lakhs from Rs. 5,563.27 lakhs in the F.Y. 2022-23 representing an increase of 19.88%. Such increase was due to increase in volume of business operations of the Company.

#### ***Employee Benefit Expenses***

Our Company incurred for employee benefit expenses ₹ 197.52 lakhs for F.Y. 2023 -24, as compared to ₹ 173.90 lakhs F.Y.2022-23. Representing an increase of 13.58 % The said increase is due the increase in salaries and wages and staff welfare expenses.

#### ***Finance Costs***

Finance costs for the F.Y. 2023-24 has increased to ₹ ₹96.93 Lakhs as against ₹ 46.07 Lakhs during the F.Y.2022-23, representing an increase of 110.39%, which is mainly due to the increase in Interest Expenses.

#### ***Depreciation and Amortization Expenses***

Depreciation for F.Y. 2023-24 stood at ₹ 63.86 Lakhs as against ₹ 44.98 Lakhs during the F.Y.2022-23, representing a increase of 41.97 % due to significant addition in fixed assets in F.Y. 2023-24.

#### ***Other Expenses***

For F.Y.2023-24, other expenses were ₹ 261.31 lakhs as against ₹ 166.74 lakhs during the F.Y 2022-23.The Increase in 56.71% was mainly due to increase in Manufacturing Expenses like power & fuel expense and Job work expenses, Establishment Expenses like factory repairing expense.

#### ***Profit/ (Loss) before tax***

For F.Y.2023-24, it has increased to ₹ 972.57 Lakhs as compared to ₹ 122.31 Lakhs in the F.Y.2022-23, representing an increase of 695.16% majorly due to:

- Due to the increase in the revenue from the operations Rs.7888.45 lakhs in F.Y. 2023-24, which were just Rs. 5996.18 lakhs in F.Y. 2022-23, which led to higher PBT in F.Y. 2023-24.
- Total income of the company has increased from ₹ 6009.21 lakhs in F.Y. 2022 -23 to ₹7906.11 lakhs in F.Y. 2023-24.

***Profit/ (Loss) after Tax***

For F.Y.2023-24, it has increased to ₹ 645.41 Lakhs as compared to ₹ 93.37 Lakhs in the F.Y.2022-23, representing an increase of 593.23% majorly due to:

- Due to the increase in the revenue from the operations Rs.7888.45 lakhs in F.Y. 2023-24, which were just Rs. 5996.18 lakhs in F.Y. 2022-23, which led to higher PAT in F.Y. 2023-24.
- Total income of the company has increased from ₹ 6009.21 lakhs in F.Y. 2022-23 to ₹7906.11 lakhs in F.Y. 2023-24.

**Comparison of Financial Year 2023 with Financial Year 2022 (Based on Restated Financial Statements)*****Income***

The total income of our company for F.Y.2022-23 was ₹6,009.21 lakhs against ₹4,445.06 lakhs total income for FY-2021-22. There is significant increase of 35.18 %. The Main reason for the Increase in the total income was:

***Revenue from Operations***

Revenue from Operations for the financial year 2022-23 stood at Rs. 5,996.18 Lakhs whereas in Financial Year 2021-22 the same stood at Rs.4426.86 Lakhs representing mainly consists of increasing in :

Increase in revenue from sale of Brass Rods from Rs. 1223.34 lakhs in FY 2021-22 to Rs. 2,433.76 lakhs in F.Y. 2022-23, representing an increase of 98.91% (y-o-y) & year on year increasing sale of all other products

***Expenditure***

For F.Y. 2023-24, total expense has significantly increased to Rs. 5886.90 Lakhs from Rs. 4312.22 Lakhs in the financial year 2021-22 representing a increase of 36.51%. Such increase was due to increase in the volume of business operations of the Company.

***Cost of raw materials consumed net of change in Inventory***

In F.Y.2022-23, our Company incurred cost for raw materials consumed net of change in inventory ₹ 5,555.21 lakhs against ₹3,916.36 lakhs expenses in F.Y.2021-22. representing an increase of 41.85%. Such increase was due to increase in volume of business operations of the Company.

***Employee Benefit Expenses***

Our Company incurred for employee benefit expenses ₹ 173.90 lakhs for F.Y. 2022-23, as compared to ₹ 178.86 lakhs F.Y.2021-22. Representing an decrease of 2.77 % The said decrease is due to the no remuneration was taken by the directors for the F.Y.2022-23.

***Finance Costs***

The finance costs for the F.Y. 2022-23 was ₹46.07 lakhs while it was ₹29.20 lakhs for F.Y.2021-22. An increase of 57.77%. which is mainly due to the increase in Interest Expenses

***Depreciation and Amortization Expenses***

Depreciation for F.Y. 2022-23 stood at ₹ 44.98 Lakhs as against ₹ 34.76 Lakhs during the F.Y.2021-22, representing a increase of 28.66 % due to significant addition in fixed assets in F.Y. 2022-23.

***Other Expenses***

For F.Y.2022-23, other expenses were ₹ 166.74 lakhs as against ₹ 153.04 lakhs during the F.Y 2021-22.The Increase in 8.95% was mainly due to increase in Manufacturing Expenses like power & fuel expenses and Job work expenses.

***Profit/ (Loss) before tax***

For F.Y.2022-23, it has increased to ₹ 122.31 Lakhs as compared to ₹ 132.84 Lakhs in the F.Y.2022-23, representing an decrease of 7.92 % majorly due to:

- Due to the increase in Net Cost of Material Consumed Rs.5455.21 lakhs in F.Y. 2022-23, which were just Rs. 3916.96 lakhs in F.Y. 2021-22, which led to Lower PBT in F.Y. 2022-23.
- Even though Total income of the company has increased from ₹ 4445.06 lakhs in F.Y. 2021-22 to ₹6009.21 lakhs in F.Y. 2022-23.

***Profit/ (Loss) after Tax***

For F.Y.2022-23, it has increased to ₹ 93.37 Lakhs as compared to ₹ 101.50 Lakhs in the F.Y.2021-22, representing an decrease of 8.00% majorly due to:

- Due to the increase in Net Cost of Material Consumed Rs.5455.21 lakhs in F.Y. 2022-23, which were just Rs. 3916.96 lakhs in F.Y. 2021-22, which led to Lower PAT in F.Y. 2022-23.
- Even though Total income of the company has increased from ₹ 4445.06 lakhs in F.Y. 2021-22 to ₹6009.21 lakhs in F.Y. 2022-23.

## CASH FLOWS

(Amount ₹ in lakhs)

Particulars	For the year ended March 31,		
	2024	2023	2022
Net Cash from Operating Activities	(395.10)	(277.63)	254.62
Net Cash from Investing Activities	(361.41)	(257.62)	(86.11)
Net Cash used in Financing Activities	981.84	529.27	(164.81)

### **Cash Flows from Operating Activities**

Net cash from operating activities for the Year ended March, 2024 was ₹ (395.10) lakhs as compared to the Profit before Tax at ₹972.57 lakhs. Net cash from operating activities for the year ended March 31, 2023 was ₹ (277.63) lakhs as compared to the Profit before Tax at ₹122.31 lakhs. Net cash from operating activities for fiscal 2022 was at ₹254.62 lakhs as compared to the Profit before Tax at ₹ 138.84 lakhs .

### **Cash Flows from Investment Activities**

Net cash from investing activities for the Year ended March 31, 2024 was at ₹ (361.41) lakhs. This was mainly on account of Purchases of Fixed Assets. Net cash from investing activities for fiscal 2023 was at ₹ (257.62) lakhs. This was mainly on account of Purchases of Fixed Assets. Net cash from investing activities for fiscal 2022 was at ₹ (86.11) lakhs due to purchase of Fixed Assets and movement in Non-Current Investment;

### **Cash Flows from Financing Activities**

Net cash flow from financing activities for the Year ended March 31, 2024 was ₹ 981.84 lakhs due to Short term borrowings and Changes in Partners Capital. Net cash flow from financing activities for the year ended March 31, 2023 was ₹ 529.57 lakhs due to Changes in Partners Capital. Net cash from financing activities for fiscal 2022 was at ₹ (164.81) lakhs due to proceeds from long term borrowings .

## OTHER MATTERS

### **1. Unusual or infrequent events or transactions**

Except as described in this Prospectus, during the period/ years under review there have been no transactions or events, which in our best judgment, would be considered “unusual” or “infrequent” except in year 2023-24 partnership firm has been converted to public limited company.

### **2. Significant economic changes that materially affected or are likely to affect income from continuing Operations**

Other than as described in the Section titled “Financial Information” and chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations”, beginning on Page 153 and 210 respectively of this Draft Prospectus, to our knowledge there are no significant economic changes that materially affected or are 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 revenue or income from continuing operations**

Other than as described in the chapter titled “Risk Factors” and “Management’s Discussion and Analysis of Financial Conditions and Result of Operations”, beginning on Page 29 and 210 respectively of this Draft Prospectus, best to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

### **4. Future relationship between Costs and Income**

Other than as described in the chapter titled “Risk Factors” beginning on Page 29 of this Draft Prospectus, best to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

### **5. Dependence on single or few customers**

We are not dependent upon single or few customers.



**6. Status of any publicly announced new products or business segments**

Please refer to the chapter titled “*Our Business*” beginning on page 100 of this Draft Prospectus for new products or business segments.

**7. Seasonality of business**

Our business is not subject to seasonality. For further information, see “*Industry Overview*” and “*Our Business*” on pages 92 and 100, respectively.

## CAPITALISATION STATEMENT

The following table sets forth our capitalisation as at March 31, 2024, on the basis of our Restated Financial Statements:  
(in ₹ lakhs)

Particulars	Pre-Issue as at March 31, 2024	As adjusted for the Issue
<b>Borrowings:</b>		
Short-term Debt (A)	2,529.77	●
Long-term Debt (B)	92.33	●
<b>Total Borrowings (C = A + B)</b>	<b>2,622.10</b>	<b> ● </b>
<b>Shareholders' fund (Net worth)</b>		
Share capital (D)	200.00	●
Other Equity (E)	387.19	●
<b>Total shareholders' fund (Net worth) (G) (G = (D + E) - F)</b>	<b>587.19</b>	<b> ● </b>
<b>Long term debt/ shareholders' fund ratio (B / G)</b>	<b>0.16</b>	<b> ● </b>
<b>Total borrowings / shareholders' fund ratio (C/G)</b>	<b>4.47</b>	<b> ● </b>

## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Our Company, our Directors, and our Promoters are subject to various legal proceedings from time to time, mostly arising in the ordinary course of our business. Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) disciplinary action including penalty imposed by SEBI or stock exchanges in the last five financial years including outstanding action; (iv) claims relating to direct and indirect taxes; and (v) Material Litigation (as defined below); involving our Company, Directors, or Promoters.*

*Our Board of Directors, in its meeting held on 29.04.2024, determined that outstanding litigation involving our Company, its directors, its promoters, and group companies shall be considered material (“**Material Litigation**”) if:*

*Our Board of Directors, in its meeting held on 29.04.2024, determined that outstanding dues to the small-scale undertakings and other creditors exceeding 10 % of the Company's trade payables as on the date of the latest restated consolidated financial statements shall be considered material dues for the company for the purpose of disclosure in Draft Prospectus. (“**Material Dues**”).*

*Details of outstanding dues to creditors (including micro and small enterprises as defined under **the Micro, Small and Medium Enterprises Development Act, 2006**), as required under the **SEBI (ICDR) Regulations**, have been disclosed on our website.*

*Our Company, its Directors, and its Promoters are not Wilful Defaulters and there have been no violations of securities laws in the past or pending against them.*

#### **A. LITIGATION INVOLVING OUR COMPANY**

##### **Litigation Against Our Company**

**(i). All criminal proceedings:**

NIL

**(ii). All actions by regulatory authorities and statutory authorities:**

NIL

**(iii). Claims related to direct and indirect taxes:**

● **E Proceedings:**

As per the website of Income Tax, the following e-proceedings are shown as pending with “open” or “pending” status. However, the amount has not been mentioned and cannot be crystallized:

NIL

● **Outstanding Tax Demand:**

As per the website of the Income Tax Department for outstanding tax demand, the following defaults in the payment of Income Tax by the Company are still outstanding:

NIL

● **Tax Deducted at Source (TDS):**

NIL

**(iv). Other Matters based on the Materiality Policy of our Company:**

NIL

**Litigation Filed By Our Company**

- (i). All criminal proceedings:

NIL

- (ii). Other Matters based on the Materiality Policy of our Company:

NIL

**B. LITIGATION INVOLVING OUR PROMOTERS:**

**Litigations Against Our Promoters**

- (i). All criminal proceedings:

NIL

- (ii). All actions by regulatory authorities and statutory authorities:

NIL

- (iii). Disciplinary action including penalty imposed by SEBI or Stock Exchanges against the promoters in the last five financial years including outstanding action:

NIL

- (iv). Claims related to direct and indirect taxes:

• **E Proceedings:**

As per the website of Income Tax, the following e-proceedings are shown as pending with “open” or “pending” status. However, the amount has not been mentioned and cannot be crystallized:

NIL

• **Outstanding Tax Demand:**

As per the website of the Income Tax Department for outstanding tax demand, the following defaults in the payment of Income Tax by the Promoters are still outstanding:

NIL

- (v). Other Matters based on the Materiality Policy of our Company:

NIL

**Litigation Filed by Our Promoters**

- (i). All criminal proceedings:

NIL

- (ii). Other Matters based on the Materiality Policy of our Company:

NIL

**C. LITIGATION INVOLVING OUR DIRECTORS (OTHER THAN PROMOTERS)**

**Litigations Against Our Directors (Other Than Promoters)**

**(i). All criminal proceedings:**

NIL

**(ii). All actions by regulatory authorities and statutory authorities:**

NIL

**(iii). Claims related to direct and indirect taxes:**

- **E Proceedings:**

As per the website of Income Tax, the following e-proceedings are shown as pending with “open” or “pending” status. However, the amount has not been mentioned and cannot be crystallized:

NIL

- **Outstanding Tax Demand:**

As per the website of the Income Tax Department for outstanding tax demand, the following defaults in the payment of Income Tax by the Directors (Other than Promoters) are still outstanding:

NIL

**(iv). Other Matters based on the Materiality Policy of our Company:**

NIL

**Litigation Filed by Our Directors (Other Than Promoters)**

**(i). All criminal proceedings:**

NIL

**(ii). Other Matters based on the Materiality Policy of our Company:**

NIL

**D. LITIGATION INVOLVING OUR SUBSIDIARY COMPANY**

As on the date of this Draft Prospectus, our Company has no subsidiary Company.

**E. LITIGATION INVOLVING OUR GROUP COMPANY**

As on date of this Draft Prospectus, Company is having following two Group companies -

1. Narmadeshwar Metal Private Limited having CIN U28994GJ2021PTC125722 and registered office at Survey No. 433, Plot No. 3/4, Shree Ganesh Industrial Hub, Lalpur Road, Village Changa, Jamnagar – 361006, Gujarat, India, (PAN-AAHCN8139P).
2. MechaTronics Tools Limited having CIN U28229GJ2024PLC148807 and registered office at Shop No.4, Plot no. 237B, GIDC Phase - II, Dared, Udyognagar, Jamnagar, Kalavad, Gujarat, India, 361004.
- 3.

**Litigations Against Our Group Companies**

**(i). All criminal proceedings:**

NIL

(ii). **All actions by regulatory authorities and statutory authorities:**

NIL

(iii). **Claims related to direct and indirect taxes:**

- **E Proceedings:**

As per the website of Income Tax, the following e-proceedings are shown as pending with “open” or “pending” status. However, the amount has not been mentioned and cannot be crystallized:

NIL

- **Outstanding Tax Demand:**

As per the website of the Income Tax Department for outstanding tax demand, the following defaults in the payment of Income Tax by the Directors (Other than Promoters) are still outstanding:

NIL

(iv). **Other Matters based on the Materiality Policy of our Company:**

NIL

**Litigation Filed By Group Companies**

(iii). **All criminal proceedings:**

NIL

(iv). **Other Matters based on the Materiality Policy of our Company:**

NIL

**F. OUTSTANDINGS DUE TO MICRO, SMALL, AND MEDIUM ENTERPRISES OR ANY OTHER CREDITORS**

In accordance with our Company’s materiality policy dated 17<sup>th</sup> June, 2024, below are the details of the Creditors where there are outstanding amounts as on 31.03.2024:

Sr. No.	Particulars	Amount (Rs. in lakhs)
1	Total Outstanding dues to Micro, Small & Medium Enterprises	31.33
2	Total Outstanding dues to creditors other than Micro, Small & Medium Enterprises	266.54
<b>Total</b>		<b>297.87</b>

**G. MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET**

Except as mentioned under the chapter - “Management Discussion and Analysis of Financial Condition and Result of Operation” on page 210 of this Draft Prospectus, there have been no material developments, since the date of the last audited balance sheet.

## GOVERNMENT AND OTHER STATUTORY APPROVALS

*Our Company has received the necessary licenses, permissions and approvals from the Central Government and the appropriate State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. Our Company undertakes to obtain all material approvals, licenses and permissions required to operate our present business activities. It must, however, be distinctly understood that in granting the 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.*

*Following statements set out the details of licenses, permissions and approvals obtained by the Company under various Central and State legislations for carrying out its business activities.*

The Company has its business located at the following locations:

### Registered Office and Factory:

- Plot No. 5, 8 & 9, Survey No: 433, Shree Ganesh Industrial hub, Changa, Jamnagar, Gujarat – 361012

## I. APPROVALS OBTAINED IN RELATION TO THE ISSUE

### Corporate Approvals:

The following approvals have been obtained or will be obtained in connection with the Issue:

- (a) The Board of Directors has, pursuant to a resolution passed at its meeting held on April 29<sup>th</sup>, 2024 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
- (b) The shareholders of the Company have, pursuant to a special resolution passed in the EGM held on May 22<sup>nd</sup>, 2024 authorized the Issue under Section 62(1)(c) of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.

### ISIN Number

The Company's International Securities Identification Number ("ISIN") is INE0S1B01014

### Stock Exchange

In-Principle approval letter dated [●] from NSE for the listing of our equity shares by our Company pursuant to the Issue.

## II. Approvals Obtained By Our Company

Sr. No.	Nature Of License/Approval	Registration/ License No.	Issuing Authority	Date Of Grant	Validity
<b>INCORPORATION RELATED APPROVALS</b>					
1.	Certificate of Incorporation in the name of Narmadesh Brass Industries Limited	U24209GJ2023PLC145839	Registrar of Companies, Ahmedabad	October 30, 2023	One Time Registration
<b>TAX RELATED APPROVALS</b>					
1.	Permanent Account Number ("PAN")	AAJCN2165P	Income Tax Department, Government of India	October 30, 2023	One Time Registration
2.	Tax Deduction Account Number ("TAN")	RKTN04912F	Income Tax Department, Government of India	October 30, 2023	One Time Registration
3.	GST Registration Certificate	24AAJCN2165P1Z1	Central Board of Indirect Taxes and Customs	October 30, 2023	One Time Registration

Sr. No.	Nature Of License/Approval	Registration/ License No.	Issuing Authority	Date Of Grant	Validity
4.	Professional Tax Certificate of Enrolment under the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976	EC0010000700110006 In the name of Narmadesh Brass Industries	Gujarat State Tax on the Professions Trade Callings & Employments Act, 1976.	May 20 <sup>th</sup> 2020	One Time Registration
<b>LABOUR RELATED APPROVALS</b>					
1.	Registration Certificate issued under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Code Number: GJRAJ3121024000	Employees' Provident Fund Organization, Ministry of Labour and Employment.	October 30, 2023	One Time Registration
2.	Registration Certificate issued under the Employees State Insurance Act, 1948	37001561390000999	Deputy Director, ESI Corporation, Ahmedabad	October 30, 2023	One Time Registration
<b>ENVIRONMENT RELATED APPROVALS</b>					
1.	Consent to establish (NOC) under Section 25 of Water Act, 1974 and Section 21 of Air Act, 1981	GPCB/CCA-JMN-1673/ID-54288/551033	Gujarat Pollution Control Board	January 10, 2020	October 23, 2026
<b>BUSINESS RELATED APPROVALS</b>					
1	Udyam Registration Certificate	UDYAM-GJ-10-0039895	Government of India, Ministry of Micro, Small and Medium Enterprises	January 21, 2024	One Time Registration
2	Certificate of Importer-Exporter Code (IEC)	RJKIECPAPPLY00014594AM24	Ministry of Commerce and Industry, Government of India	January 08, 2024	One Time Registration
3	License to work a factory	55765/24209/2021	Directorate Industrial Safety and Health, Gujarat	April 01, 2021	December 31, 2028

### III. Approvals Obtained/Applied In Relation To Intellectual Property Rights:

The Company is using label  and will file application for registration of a trademark under the Trade Marks Act 1999.

### IV. The Details Of Domain Name Registered In The Name Of The Company:

Sr. No.	Domain Name And Id	Iana Id	Creation Date	Expiry Date
1.	Narmadeshbrass.com	151	November 8 <sup>th</sup> 2023	November 8 <sup>th</sup> 2024



## V. Certificates In The Name Of The Company

Sr. No.	Description	Certificate Number	Issuing Authority	Date Of Issue	Expiry Date
1.	Certificate of registration for Quality Management System (ISO 9001:2015)	85 100 001 23048	TUV Rheinland (India) Pvt. Ltd.	September 26, 2023	September 25, 2026
2.	Zed Bronze Certificate	05022024_240161	Ministry of Micro, Small & Medium Enterprises	February 05, 2024	February 05, 2024

## VI. PENDING APPROVALS

1. The Company has applied for name change for the Professional Tax Certificate under the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976 and is pending for approval.
2. The Company has applied for name change for the Quality Management System (ISO 9001:2015) and is pending for approval.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE OFFER

Our Board of Directors have vide resolution dated 17th June, 2024 authorized the Offer, subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Offer, by passing a Special Resolution at the Extra Ordinary General Meeting held on 17th June, 2024 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

### AUTHORISATION BY THE SELLING SHAREHOLDER

The Selling Shareholder has confirmed and authorized its participation in the Offer for Sale in relation to the Offered Shares, as set out below:

Name of the Selling Shareholders	Aggregate amount of Offer for Sale (in Lakhs)	Number of Equity Shares offered in the Offer for Sale	Date of board resolution/ authorization	Date of consent letter
Hitesh Pragajibhai Dudhagara	Up to [●]	Up to 1,50,000	17 <sup>th</sup> June, 2024	15 <sup>th</sup> June, 2024
Ronak Hitesh Dudhagara	Up to [●]	Up to 1,50,000	17 <sup>th</sup> June, 2024	15 <sup>th</sup> June, 2024

The Selling Shareholder confirms that the Equity Shares offered by it as part of the Offer for Sale have been held in compliance with Regulation 8 of the SEBI ICDR Regulations. For details, see “**The Offer**” on page 48 of this Draft Prospectus.

### IN-PRINCIPLE LISTING APPROVALS

The Company has obtained approval from NSE vide letter dated [●] to use the name of NSE in this Offer Document for listing of equity shares on the NSE Emerge. NSE is the designated stock exchange.

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Further, our company, promoters, members of the promoter group, directors, are not debarred or prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court as on the date of this Draft Prospectus.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

None of the companies with which our Promoters and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.

None of our Directors are associated with securities market related business, in any manner and there have been no outstanding actions initiated by SEBI against our Directors in the five years preceding the date of this Draft Prospectus.

Our Company, Promoters or Directors have not been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

Our Promoters or Directors have not been declared as fugitive economic offenders under section 12 of the Fugitive Economic Offenders Act, 2018.

The Selling Shareholder confirms that it has not been prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court. Further, there have not been any regulatory actions initiated against the Selling Shareholder by SEBI, RBI or any overseas regulator.

### PROHIBITION BY RBI

Neither our Company, nor any of our Promoters, Directors and Selling Shareholder have been declared as fraudulent borrowers by the lending banks or financial institution or consortium, in terms of the Master Directions on Frauds – Classification and Reporting by commercial banks and select FIs dated July 1, 2016, as amended, issued by the Reserve Bank of India.

## DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are associated with the securities market and there has been no outstanding action initiated by SEBI against them in the five years preceding the date of this Draft Prospectus.

## COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, Promoters, members of the Promoter Group, and the Selling Shareholder confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Prospectus.

## ELIGIBILITY FOR THE OFFER

Our Company is an “Unlisted Offeror” in terms of the SEBI ICDR Regulations; and this Offer is an “Initial Public Offer” in terms of the SEBI ICDR Regulations.

This Offer is being made in terms of Regulation 229(1) of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, whereby, an Offeror whose post offer face value capital does not exceed ₹ 10 crores rupees, shall offer shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the NSE Emerge).

As per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of NSE Emerge.

- a) Our Company was originally formed as a partnership firm under the Indian Partnership Act, 1932 with the registrar of firm Jamnagar vide Registration No. GUJRJ202456 in the name and style of “M/s. Narmada Brass industries”, pursuant to a deed of partnership entered between Mr. Hitesh Pragajibhai Dudhagara, Ms. Ronak Hitesh Dudhagara, and Mr. Ghanshyamlal Badrilal Somani executed on August 29, 2019. Further the Partnership Firm “M/s. Narmada Brass industries” was converted into Public Limited Company “Narmadesh Brass Industries Limited” pursuant to Part I of chapter XXI of the Companies Act, 2013 vide Certificate of Incorporation dated October 30, 2023 by Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U24209GJ2023PLC145839. The Company was converted from partnership to company as on 30th October, 2023.
- b) As on the date of this Draft Prospectus, our Company has a total paid-up capital (face value) of ₹ 2,00,00,000 comprising 20,00,000 Equity Shares of ₹ 10/- each and the Post Offer paid-up Capital (face value) will be ₹2,35,00,000 comprising 23,50,000 Equity Shares which shall be below ₹ 25 crores.
- c) The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive. Below table depicts the positive profit and the Net worth is INR 509.20 Lakhs.

	Standalone (Amt in Lakhs)		
Particulars	March -24	March-23	March-22
Profit Before Tax	972.57	122.31	132.84
Add- Depreciation	63.86	44.98	34.76
Add- Interest	70.37	43.39	29.18
Less- Other Income	17.66	13.03	18.20
<b>Operating Profit (earnings before interest, depreciation, and tax) from operations</b>	<b>1089.14</b>	<b>197.65</b>	<b>178.50</b>

- a) The Issuer has adhered to the conditions precedent to listing under Securities Contracts (Regulations) Act 1956, Companies Act 2013, Securities and Exchange Board of India Act 1992, any rules and/or regulations framed and circulars, clarifications, guidelines issued by the appropriate authority under foregoing statutes.
- b) Our Company has not been referred to Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against our company and promoting companies.

- c) There is no winding up petition against the company, which has been admitted by NCLT/ Court of competent jurisdiction or a liquidator has not been appointed.
- d) No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past three years against our Company.
- e) Other Disclosures:
  - We have disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoter/promoting company(ies), group companies, companies promoted by the promoter/promoting company(ies) of our company in the Draft Prospectus.
  - There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our company, promoter/promoting company(ies), group companies, companies promoted by the promoter/promoting company(ies) during the past three years except as mentioned in the Draft Prospectus.
  - We have disclosed the details of our company, promoter/promoting company(ies), group companies, companies promoted by the promoter/promoting company(ies) litigation record, the nature of litigation, and status of litigation. For details, please refer the chapter “**Outstanding Litigations and Material Developments**” on page 218 of this Draft Prospectus.
  - 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 Litigations and Material Developments**” on page 218 of this Draft Prospectus.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- a) The Draft Prospectus has been filed with NSE and our Company has made an application to NSE for listing of its Equity Shares on the Emerge platform of NSE. NSE is the Designated Stock Exchange.
- b) Our Company has entered into an agreement dated 29<sup>th</sup> November, 2023 with NSDL and agreement dated November 13<sup>th</sup>, 2023 with CDSL for dematerialisation of its Equity Shares already issued and proposed to be offered.
- c) The entire pre-offer capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO are fully paid-up.
- d) The entire Equity Shares held by the Promoters are in the process of being dematerialization form.
- e) The fund requirements set out for the Objects of the Issue are proposed to be met entirely from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue as required under the SEBI ICDR Regulations. For details, please refer the chapter “Objects of the Offer” on page 75 of this Draft 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 Offer 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:

1. Neither our Company nor our Promoters, members of our Promoter group or our directors is debarred from accessing the capital markets by the SEBI.
2. None of our Promoters or Directors is Promoters or director of any other companies which are debarred from accessing the capital markets by the SEBI.
3. Neither our Company nor our Promoters or Directors is a wilful defaulter or a fraudulent borrower.
4. None of our Promoters or Directors is a fugitive economic offender.

We further confirm that:

1. In accordance with Regulation 246 of the SEBI ICDR Regulations, the lead manager shall ensure that the offeror shall file copy of the Draft Prospectus with SEBI along with relevant documents as required at the time of filing the Draft Prospectus to SEBI.
2. In accordance with Regulation 260 of the SEBI ICDR Regulations, this offer has been one hundred percent (100%) underwritten and that the Lead Manager to the offer has underwritten at least 15% of the Total Offer Size. For further details, pertaining to said underwriting please see “**General Information**” beginning on page 57 of this Draft Prospectus.
3. In accordance with Regulation 268 of the SEBI ICDR Regulations, we shall ensure that the total number of proposed allottees in the Offer is greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not unblocked within four (4) days from the date our Company becomes liable to unblock it, then our Company and every officer in default shall, on and from expiry of fourth day, be liable to unblock such application money with interest as prescribed under the SEBI ICDR Regulations, the Companies Act 2013 and applicable laws.

#### **COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI ICDR Regulations. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI ICDR Regulations, with respect to the Offer.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT 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 OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED OFFER.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE OFFEROR IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS OFFER DOCUMENT, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE OFFEROR DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, ARIHANT CAPITAL LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [•] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER 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 OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS OFFER DOCUMENT.**

***Note:** All legal requirements pertaining to the Offer will be complied with at the time of filing of the Draft Prospectus with the RoC in terms of Section 32 of the Companies Act. All legal requirements pertaining to the Offer will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 33(1) and 33(2) of the Companies Act.*

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This offer is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their

constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. This Draft Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares issued hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft 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 the jurisdiction of appropriate court(s) in Mumbai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company or the Selling Shareholder since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

## **ELIGIBILITY AND TRANSFER RESTRICTIONS**

The Equity Shares offered in the Offer have not been, and will not be, registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and accordingly, the Equity Shares are being offered and sold (i) within the United States solely to persons who are reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) in transactions exempt from the registration requirements of the U.S. Securities Act, and (ii) outside the United States in “offshore transactions” as defined in and in reliance on Regulations under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.

## **DISCLAIMER FROM OUR COMPANY, THE DIRECTORS, THE SELLING SHAREHOLDER AND THE LEAD MANAGER**

Our Company, Selling Shareholder, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, <https://narmadeshbrass.com>, or the website of any affiliate of our Company, would be doing so at his or her own risk. It is clarified that none of the Selling Shareholders, nor their respective directors, affiliates, associates and officers, accept and/or undertake any responsibility for any statements made or undertakings provided other than those made or undertaken by such Selling Shareholder in relation to itself and its respective portion of the Offered Shares.

The Lead Manager accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriter and our Company and Market Maker Agreement entered into among Market Maker and our Company.

All information shall be made available by our Company, each of the Selling Shareholder, severally and not jointly (to the extent the information pertains to such Selling Shareholder and their respective portion of Offered shares) and the LMs to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, each of the Selling Shareholders, 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 the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, 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.

The LM and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, its subsidiaries, our Promoters, members of the Promoter Group, the Selling Shareholder, and their affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, Promoters, the Selling Shareholder, and their respective affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

None among our Company or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or noncompliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

## **DISCLAIMER CLAUSE OF THE NSE**

As required, a copy of the Draft Prospectus shall be submitted to the NSE Emerge. The Disclaimer Clause as intimated by the NSE Emerge to us, post scrutiny of the Draft Prospectus, shall be included in the Draft Prospectus and Prospectus prior to the filing with RoC.

## **LISTING**

The Equity Shares Offered through the Draft Prospectus are proposed to be listed on the EMERGE Platform of NSE. Application have been made to the EMERGE Platform of NSE for obtaining permission for listing of the Equity Shares being offered and sold in the issue on its NSE Emerge Platform after the allotment in the Offer. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

Our company will obtain In-principle approval from NSE vide letter dated [●] to use name of NSE in the Draft Prospectus for listing of equity shares on NSE Emerge.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Draft Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/ Offer Closing Date or such period as may be prescribed by SEBI. The Selling Shareholder, confirms that it shall extend reasonable support and co-operation (to the extent of its portion of the Offered Shares) as required by law for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares on the Stock Exchanges within three Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

If our Company does not allot Equity Shares pursuant to the Offer within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period in accordance with applicable law.

## **CONSENTS**

Consents in writing of: (a) The Selling Shareholder, Directors, Promoters, the Chief Financial Officer, Company Secretary & Compliance Officer, the Statutory and Peer Review Auditors, Internal Auditor, the Lead Manager, Registrar to the Offer, the Legal Advisors to the Offer, Market Maker have been obtained; and (b) Underwriter, Syndicate Member, Bankers to the Offer (Escrow Collection Bank, Public Offer Bank, Sponsor Banks and Refund Bank), Bankers to the Company, to act in their respective capacities, Monitoring Agency will be obtained, and will be filed along with a copy of the Draft Prospectus with the RoC as required under the Companies Act, 2013.

## **EXPERT OPINION**

Except as disclosed below, our Company has not obtained any expert opinions in connection with this Draft Prospectus:

Our Company has received a written consent dated 20th June, 2024 from our Peer Review Auditor, namely, B B Gusani & Associates, who holds a valid peer review certificate from ICAI, to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Peer Review Auditor, and in respect of their (a) examination report dated July 10, 2024, on the Restated Financial Statements, and (b) report dated July 10, 2024 by

the Peer Review Auditor on the statement of special tax benefits. Such consent has not been withdrawn as on the date of this Draft Prospectus. However, the term “expert” and “consent” shall not be construed to mean an “expert” and “consent” as defined under the U.S. Securities Act.

Further, our Company has received written consent dated 20th June, 2024, from M/s B.B Gusani and Associates, Chartered Accountants, to include their name as required under Section 26 (5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Prospectus and as an “expert”, as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an Peer Review Auditor, in relation to the certificate dated 20th June, 2024, certifying, inter alia, the details of the capital buildup of our company.

## PREVIOUS PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE YEARS

We have not made any rights to the public and public issues in the past, and we are an “Unlisted Company” in terms of the SEBI ICDR Regulations and this Issue is an “Initial Public Offer” in terms of the SEBI ICDR Regulations.

## COMMISSION AND BROKERAGE PAID ON PREVIOUS ISSUES OF OUR EQUITY SHARES IN LAST FIVE YEARS

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

## CAPITAL ISSUES DURING THE LAST THREE YEARS BY OUR COMPANY, LISTED GROUP COMPANIES, SUBSIDIARIES & ASSOCIATES OF OUR COMPANY

Except as disclosed in Chapter titled “**Capital Structure**” on page 65 of Draft Prospectus, our Company has not made any capital issue during the previous three years.

Further, except Sprayking Limited and Narmadeshwar Metal Private Limited, we do not have any other Group Companies or Subsidiary or Associate as on date of this Draft Prospectus.

## PERFORMANCE VIS-À-VIS OBJECTS

Except as stated in the chapter titled “**Capital Structure**” beginning on page 65 of this Draft Prospectus, we have not made any previous rights and / or public issues during the last five (5) years and are an “Unlisted Issuer” in terms of SEBI ICDR Regulations and this Issue is an “Initial Public Offer” in terms of the SEBI ICDR Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

## Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries/listed Promoter of our Company

Sprayking Limited, our holding company is listed on NSE.

## PRICE INFORMATION OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

**Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Wealth Mine Networks Private Limited:**

Sr. No	Issuer name (₹ 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
<b>Mainboard IPO Issues</b>							
1.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Emerge IPO Issues</b>							
1.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
3.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
4.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
5.	[●]	[●]	[●]	[●]	[●]	[●]	[●]



6.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
7.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
8.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
9.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
10.	[●]	[●]	[●]	[●]	[●]	[●]	[●]

Source: [www.nseindia.com](http://www.nseindia.com)

Source: [www.bseindia.com](http://www.bseindia.com)

Notes:

1. The NSE 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 Wealth Mine Networks 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 No 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%	Betwe en 25% - 50%	Less than 25%	Over 50%	Betwe en 25%- 50%	Less than 25%	Over 50%	Betwe en 25%- 50%	Less than 25%	Over 50%	Betwe en 25%- 50%	Less than 25%
2023-2024	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2022-2023	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2021-2022	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

#### TRACK RECORD OF PAST ISSUES HANDLED BY LEAD MANAGER

For details regarding track record of the Lead Manager 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 Lead Manager at: [●]

#### STOCK MARKET DATA OF EQUITY SHARES

This being an initial public offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

#### MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of three years from the date of listing and commencement of trading of the Equity Shares to enable the Bidders to approach the Registrar to the Offer for redressal of their grievances. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All grievances, other than of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving full details such as name of the sole or First Bidder, ASBA Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchange with a copy to the Registrar to the Offer.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the Lead Manager where the Bid cum Application Form was submitted by the Anchor Investor.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding four Working Days from the Bid / Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for nonallotted/partially-allotted applications, for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the LMs shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount for the period of such delay. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the LMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The following compensation mechanism has become applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchange till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted / partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the Lead Manager shall be liable to compensate the investor ₹ 100 per day or 15%

per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Our Company, the Selling Shareholder, the LM and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

For helpline details of the Lead Manager pursuant to the SEBI/HO/CFD/DIL-2/OW/P/2021/2481/1/M dated March 16, 2021, see “**General Information**” on page 57 of this Draft Prospectus.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

All grievances relating to Bids submitted with Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Selling Shareholder, the LM and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Anchor Investors are required to address all grievances in relation to the Offer to the LM.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned herein.

Our Company has also appointed Ms. Hetal Vachhani, Company Secretary and Compliance officer for the Offer. For details, see “**General Information**” beginning on page 57 of this Draft Prospectus.

## **STATUS OF INVESTOR COMPLAINTS**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

## **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 7 (seven) days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints within 30 days of receipt of complaint or upon receipt of satisfactory documents.

Our Company shall, after filing of this Draft Prospectus, obtain authentication on the SCORES in terms of the SEBI circular bearing number CIR/OIAE/1/2013 dated April 17, 2013 read with SEBI circular bearing number SEBI/HO/OIAE/IGRD/CIR/P/2021/642 dated October 14, 2021 and shall comply with SEBI circular bearing number CIR/OIAE/1/2014 dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Our Company has appointed Ms. Hetal Vachhani, Company Secretary and Compliance Officer to redress complaints, if any, of the Investors participating in the Issue.

Contact details of Company Secretary and Compliance Officer please are as under:

**Name: Ms. Hetal Vachhani**

**Registered office: Plot No. 5,8 & 9, Survey No. 433, Shree Ganesh Industrial Hub, Changa Village, Jamnagar - 361 012, Gujarat, India.**

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

**Email: [info@narmadeshbrass.com](mailto:info@narmadeshbrass.com)**

**Contact No: +91 79903 65157**

SEBI has launched a centralized web based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in).

Our Board by a resolution on constituted a Stakeholders Relationship Committee. For further details, please refer to section titled “Our Management” beginning on page no 128 of this Draft Prospectus.

For further details, please see the chapter titled “**Our Management**” beginning on page 128 of this Draft Prospectus.

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

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

**Other confirmations**

No person connected with the Offer shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the Offer, except for fees or commission for services rendered in relation to the Offer.

## SECTION VIII – ISSUE INFORMATION

### **TERMS OF THE OFFER**

The Equity Shares being issued and allotted pursuant to the Issue shall be subject to the provisions of the Companies Act, the SEBI (ICDR) Regulations, 2018, the SCRA, the SCRR, the MoA, the AoA, the SEBI Listing Regulations, the terms of this Draft Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note (CAN), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other documents and certificates that may be executed in respect of the Issue. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and listing and trading of securities, issued from time to time, by the SEBI, the Government of India, the Stock Exchanges, the RoC, the RBI and/or other authorities to the extent applicable or such other conditions as may be prescribed by such governmental and/or regulatory authority while granting approval for the Issue.

*Please note that, in terms of Regulation 256 of the SEBI ICDR Regulations read with SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the applicants have to compulsorily apply through the ASBA Process and further in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 and the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 (together, the “UPI Circular”) in relation to clarifications on streamlining the process of public Offer of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+3 days. Further, pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”), has been notified and made effective on a voluntary basis for public issues opening on or after September 1, 2023, and on a mandatory basis for public issues opening on or after December 1, 2023.*

*Further vide the said circular Registrar to the Offer and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Offer and Depository Participants as and when the same is made available.*

#### **Authority for the Issue**

The present Issue of upto 6,50,000 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on June 17, 2024 and was approved by the Shareholders of our Company by passing special resolution at their Extra-Ordinary General Meeting held on June 17, 2024 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

The Offer for Sale has been authorized by the Selling Shareholder by the consent letter dated September 30, 2023 and the Number of Equity Shares offered are as follows:

Name of Selling Shareholder	Number of shares Offered	Percentage of pre-Offer shareholding
Mr. Hitesh Pragajibhai Dudhagara	Up to 1,50,000	19.75%
Mrs. Ronak Hitesh Dudhagara	Up to 1,50,000	19.75%

## **Ranking of the Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to “*Description of Equity shares and terms of the Articles of Association*” on page 278 of the Draft Prospectus.

## **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to “*Dividend Policy*” on page 152 of the Draft Prospectus.

## **Face Value, Issue Price**

The Equity Shares having a Face Value of ₹ 10 each are being offered in terms of the Draft Prospectus at the price of [●] per equity Share (including premium of [●] per share). The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled “*Basis for Offer Price*” on page 84 of the Draft Prospectus. At any given point of time there shall be only one denominator of the Equity Shares of our Company, subject to applicable laws.

## **Compliance with SEBI (ICDR) Regulations**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## **Rights of the Equity Shareholders**

Subject to applicable law and our Articles of Association, our equity Shareholders will have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association and other applicable laws.

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/splitting, see “*Description of Equity Shares and Terms of the Articles of Association*”, beginning on page 278.

## **Allotment only in dematerialised 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, SEBI Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and Registrar to the Issue:

- Tripartite agreement dated November 29, 2023 amongst our Company, NSDL and Registrar to the Issue; and
- Tripartite agreement dated November 13, 2023 amongst our Company, CDSL and Registrar to the Issue.

### **Minimum Application Value, Market Lot and Trading Lot**

In accordance with Regulation 267(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the Emerge Platform of NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Number of Allottee**

The minimum number of allottee in the Issue shall be fifty (50) shareholders in case the number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Offer and the amounts in the ASBA Account shall be unblocked forthwith.

### **Joint Holders**

Subject to the provisions of the AoA, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/authorities in Jamnagar, Gujarat.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be Issued or sold within the United States to, or for the account or benefit of “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Nomination facility to investors**

In accordance with Section 72 of the Companies Act, read with the rules notified thereunder, 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 to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. 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/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by the Shareholder by nominating any other person in place of the present nominee, by giving a notice of such cancellation. 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 the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, 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 ninety (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 the nomination, they are requested to inform their respective Depository Participant.

### Withdrawal of the Issue

Our Company and the Selling Shareholder in consultation with the Lead Manager, reserve the right to not to proceed with the Offer after the Offer Opening Date but before the Allotment. In such an event, our Company would Offer a public notice in the newspapers in which the pre-Offer advertisements were published, within two (2) days of the Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Lead Manager through, the Registrar to the Offer, 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 Offer is withdrawn after the designated Date, amounts that have been credited to the Public Offer Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final ROC approval of the Prospectus after it is registered with the ROC. If our Company and Selling Shareholder withdraws the Offer after the Offer Closing Date and thereafter determines that it will proceed with an Offer, our Company shall file a fresh Draft Prospectus.

### Bid/Issue Programme

<b>ISSUE OPENS ON</b>	[●]
<b>ISSUE CLOSES ON</b>	[●]

An indicative timetable in respect of the Issue is set out below:

<b>Event</b>	<b>Indicative Date</b>
Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with the NSE Emerge	On or about [●]
Initiation of refunds/unblocking of funds from ASBA Account	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the NSE Emerge	On or about [●]

*\*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchange Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Application, exceeding two Working Days from the Offer Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The post Offer LM shall be liable for compensating the Applicant at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and the Applicant shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 which for the avoidance of doubt shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.*

*In terms of Regulation 265 of SEBI ICDR Regulations, the Offer shall be open after at least three (3) working days from the date of filing the Prospectus with the Registrar of Companies.*



*In terms of Regulation 266 (3) of SEBI ICDR Regulations, in case of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Offer Period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the provisions of Regulation 266 (1).*

*The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager.*

*Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within three Working Days of the Offer Closing Date, the timetable may change due to various factors, such as extension of the Offer Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.*

*Each of the Promoter confirms that it shall extend such reasonable support and co-operation in relation to its respective portion of the Offered Shares for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Offer Closing Date or such other period as may be prescribed by SEBI.*

*Applications and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Offer Period (except for the Offer Closing Date). On the Offer Closing Date, the Applications and any revision to the same shall be accepted **between 10.00 a.m. and 3.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Investors after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).*

*Due to limitation of time available for uploading the Applications on the Offer Closing Date, the Applicants are advised to submit their applications one day prior to the Offer Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Offer Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Offer Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Offer. Applications will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.*

*In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not allowed to withdraw or lower the size of their applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Investors can revise or withdraw their Applications prior to the Offer Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Offer 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 or the electronic Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Offer shall ask the relevant SCSB or the member of the Syndicate for rectified data.*

**It is clarified that applications not uploaded on the electronic bidding system or in respect of which the full application Amount is not blocked by SCSBs or under the UPI Mechanism, as the case may be, would be rejected.**

### **Minimum Subscription**

This offer is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the offer through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the offer, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond 15 days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

*In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from*

the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Offer is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “General Information” on page 57 of this Draft Prospectus. Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

The minimum number of allottees in this Offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Offer and the monies blocked by the SCSBs shall be unblocked within four (4) working days of closure of Offer.

The Equity Shares have not been and will not registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the application law of such jurisdiction.

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI circular CIR/MRD/DSA/06/2012 dated February 21, 2012, and the same may be modified by EMERGE Platform of NSE Limited from time to time by giving prior notice to investors at large.

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 Designated Stock Exchange.

### **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 Offer.**

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 Share capital and Promoter’s minimum contribution under the SEBI ICDR Regulations as provided in “*Capital Structure*”, beginning on page 65 and except as provided under the AoA, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the AoA. For details, see “*Description of Equity Shares and Terms of the Articles of Association*”, beginning on 278 of the Draft Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

### **Market Making**

The shares offered through this Offer are proposed to be listed on the NSE Emerge with compulsory market making through the registered Market Maker of the Emerge Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on NSE Emerge.

For further details of the market making arrangement please refer the chapter titled “*General Information*” beginning on page 57 of this Draft Prospectus.

### **New Financial Instruments**

As on the date of this Draft Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoter, to acquire or receive any Equity Shares after the Offer. Further, our Company is not issuing any new financial instruments through this Offer.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Draft Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

### **Migration To Main Board**

In accordance with the NSE Circular dated November 26, 2012 as amended from time to time and notice dated December 20, 2021 our Company will have to be mandatorily listed and traded on the Emerge Platform for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, our Company may migrate to the mainboard of NSE from the NSE Emerge on a later date subject to the following:

1. If the paid-up capital of the Company is likely to increase above ₹25 crores by virtue of any further offer of capital by way of rights, preferential offer, bonus offer etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
2. If the paid-up capital of the Company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter shareholders 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.

## **OFFER STRUCTURE**

This Offer is being made in terms of Regulation 229 (1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up face value capital is more than and equal to ₹10 Crores and upto Rs.25 Crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("Emerge Exchange", in this case being the EmERGE Platform of NSE Limited i.e NSE EMERGE). For further details regarding the salient features and terms of such an issue please refer chapter titled "*Terms of the Offer*" and "*Offer Procedure*" on page 236 and **Error! Bookmark not defined.**245 of the Draft Prospectus.

The Issue comprise of a Public Issue of up to 6,50,000 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 upto 36,000 Equity Shares of ₹10/- each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of [●] Equity Shares of ₹10/- each is hereinafter referred to as the Net Offer. The Offer and the Net Offer will constitute [●] and [●] respectively of the post issue paid up Equity Share Capital of the Company.

The Issue is being made by way of Fixed Price Issue Process.

Particulars of the Offer	Net Offer to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	Upto 6,50,000 Equity Shares	Upto 36,000 Equity Shares
Percentage of Offer Size available for allocation	[●] of the Offer Size	[●] of the Offer Size
Basis of Allotment	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each. For further details please refer to " <i>Offer Procedure</i> " on page 245 of this Draft Prospectus.	Firm Allotment
Mode of Application	All the applications shall make the application (Online or Physical) through ASBA Process Only. (including UPI mechanism for Retail Individual Investors using Syndicate ASBA)	
Mode of Allotment	Compulsorily in dematerialized form.	
Minimum Application Size	<p><b><u>For Other than Retail Individual Investors:</u></b> Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value exceeds ₹2.00 Lakhs.</p> <p><b><u>For Retail Individuals Investors:</u></b> Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value does not exceed ₹2.00 Lakhs</p>	[●] Equity Shares
Maximum Application Size	<p><b><u>For Other than Retails Individual Investors:</u></b> Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Size does not exceed [●] Equity Shares, subject to applicable limits to the Applicant</p> <p><b><u>For Retail Individuals Investors:</u></b> Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value does not exceed ₹2,00,000/-</p>	[●] Equity Shares

Trading Lot	<input checked="" type="checkbox"/> Equity Shares	<input type="checkbox"/> Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Application lot Size	<input checked="" type="checkbox"/> Equity Shares thereafter Equity Shares and in multiples of <input checked="" type="checkbox"/>	
Terms of Payment	The entire Application Amount shall be blocked by the SCSBs in the bank account of the Applicants, or by the Sponsor Banks through UPI mechanism (for RIIs using the UPI Mechanism) at the time of the submission of the Application Form	

This Offer 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 “*Offer Structure*” on page 243 of the Draft Prospectus.

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

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

***If the retail individual investor category is entitled to more than fifty percent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.***

Note:

1. In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account or UPI linked account number held in joint names. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders.
2. Applicants will be required to confirm and will be deemed to have represented to our Company, the Lead Manager, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Offer.
3. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

## **OFFER PROCEDURE**

*All Applicants should read the General Information Document for Investing in Public Offer ("GID") prepared and issued in accordance with the SEBI circular no SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 & UPI Circulars which highlights the key rules, processes and procedures applicable to public offers in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the website of Stock Exchange(s), the Company and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.*

*Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment Instructions for ASBA Applicants; (v) issuance of Confirmation of Allocation Note ("CAN") and Allotment in the Offer; (vi) price discovery and allocation; (vii) General Instructions (limited to instructions for completing the Application Form); (viii) designated date; (ix) disposal of applications; (x) submission of Application Form; (xi) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xii) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.*

*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. SEBI vide the UPI Circulars, has introduced an alternate payment mechanism using UPI and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI mechanisms for RIIs applying through Designated Intermediaries have been made effective along with the process and timeline of T+6 days ("UPI Phase I"). The same was applicable until June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), 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 Applications with timeline of T+6 days will continue for a period of three months or launch of five main board public offers, whichever is later ("UPI Phase II"). However, given the prevailing uncertainty due to the COVID-19 pandemic, 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 of T+3 days be made effective using the UPI Mechanism for applications by RIIs ("UPI Phase III") and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 and made effective on a voluntary basis for all issues opening on or after September 01, 2023 and on a mandatory basis for all issues opening on or after December 01, 2023, as may be prescribed by SEBI. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by SEBI from time to time. Please note that we may need to make appropriate changes in the Prospectus depending upon the prevailing conditions at the time of the opening of the Offer.*

*The LM shall be the nodal entity for any Issues arising out of the public issuance process. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.*

*Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of these circulars are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual applicants in initial public offerings (opening*

on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after 271 application monies are blocked in the bank accounts of investors (all categories). Accordingly, Stock Exchanges shall, for all categories of investors and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two (2) Working Days from the Offer Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two (2) Working Days from the Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Additionally, SEBI vide its circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 has reduced the time period for refund of application monies from 15 days to four days.

Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and is not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus and the Prospectus.

Further, the Company and the Lead Manager are not liable for any adverse occurrences' consequent to the implementation of the UPI Mechanism for application in this Offer.

**Investors must ensure that their PAN is linked with Aadhar and are in compliance with the notification by the Central Board of Direct Taxes dated February 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.**

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, for UPI Bidders using the UPI Mechanism, shall be treated as incomplete and will be rejected. However, they may get the Equity Share rematerialized subject to allotment of the equity shares in the Offer, subject to applicable laws.

#### ***Phased implementation of Unified Payments Interface***

SEBI has issued a **UPI Circulars** in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from 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 Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase has become applicable from January 1, 2019 and will continue till June 30, 2019. Under this phase, a Retail Individual Applicant would also have the option to submit the Application Form with any of the intermediary and use his/her UPIID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

**Phase II:** This phase commenced on completion of Phase I i.e. with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public issues, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of

Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by a Retail Individual Applicant through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

**Phase III:** 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 be three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Issue.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers are to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. Subsequently, pursuant to SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. Subsequently, pursuant to SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Lead Manager.

### **FIXED PRICE PROCEDURE**

The Issue is being made in compliance with the provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process. As per Regulation 253(2) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue the allocation in the net offer to the public category shall be made as follows:

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

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

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be



provided to such Applicant in writing.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spillover from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN, UPI ID (in case of RIBs using the UPI mechanism) and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange.**

### **Application Form**

Copies of the Application Form and the abridged Prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the NSE ([www.nseindia.com](http://www.nseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected. Retail Individual Investors using UPI mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants. ASBA Applicants are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount which can be blocked by the SCSB.

The prescribed color of the Application Form for various investors applying in the Issue is as follows:

Category	Color *
Resident Indians and Eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FII's, FVCI's, etc. applying on a repatriation basis (ASBA)	Blue

\* Excluding electronic Application Form

RIIs using UPI mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants. ASBA Applicants are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount which can be blocked by the SCSB.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Offer, shall submit a completed application form to any of the following Intermediaries (Collectively called “Designated Intermediaries”)

- (i) an SCSB, with whom the bank account to be blocked, is maintained.
- (ii) a syndicate member (or sub-syndicate member),
- (iii) a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker"),
- (iv) a depository participant ('DP') (and whose name is mentioned on the website of the stock exchange as eligible for this activity),
- (v) a registrar to an issue and share transfer agent ('RTA') (and whose name is mentioned on the website of the stock exchange as eligible for this activity),

Retail's investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as ‘Intermediaries’), and intending to use UPI, shall also enter their UPI ID in the application form.

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For applications submitted by investors to SCSBs:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking the funds available in the bank account linked bank account details specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to the designated branches of the respective SCSBs for blocking of the funds within one day of the closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment</b>	<p>After accepting the application form, respective intermediary shall capture and upload the relevant details, including UPI ID, in the electronic system of stock exchange(s).</p> <p>Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds.</p> <p>Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.</p>

Stock exchange(s) shall validate the electronic details with depository's records for DP ID/Client ID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re- submission within the time specified by stock exchange.

Stock exchange(s) shall allow modification of selected fields viz. DP ID/Client ID, Bank code and Location code, in the application details already uploaded.

For ASBA Applicants using UPI mechanism, the Stock Exchange shall share the application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to ASBA applicants for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept

the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate ASBA applicants (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the Bankers to the Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to the Issue. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analyzing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

### **Availability of Prospectus and Application Forms**

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, (Lead Manager to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of NSE i.e., [www.nseindia.com](http://www.nseindia.com).

### **WHO CAN APPLY?**

- 1) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- 2) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: "Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs would be considered at par with those from individuals;
- 3) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- 4) Mutual Funds registered with SEBI;
- 5) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Offer;
- 6) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- 7) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- 8) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- 9) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional applicant's category;
- 10) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- 11) Foreign Venture Capital Investors registered with the SEBI;
- 12) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law

relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;

- 13) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- 14) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- 15) Provident Funds with minimum corpus of Rs.25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- 16) Pension Funds with minimum corpus of Rs.25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- 17) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- 18) Insurance funds set up and managed by army, navy or air force of the Union of India and Department of Posts, India;
- 19) Multilateral and bilateral development financial institution;
- 20) Eligible QFIs;
- 21) Foreign Nationals and other non-residents (subject to eligibility norms specified in SEBI FPI Regulations, 2014 and other applicable provisions);
- 22) Multilateral and bilateral development financial institutions;
- 23) State Industrial Development Corporations;
- 24) Nominated Investor and Market Maker;
- 25) Any other person eligible to applying in this Offer, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Overseas Corporate Bodies

***As per the existing regulations, OCBs are not eligible to participate in this Offer. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Offer provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.***

***The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.***

## **MAXIMUM AND MINIMUM APPLICATION SIZE**

### **a) For Retail Individual Applicants**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Amount payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of the Application, the Retail Individual Applicants have to ensure that the Application Amount does not exceed Rs. 2,00,000.

### **b) For Other Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Offer Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI ICDR Regulations, a QIB Applicant cannot withdraw its Application after the Offer Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Investors, who are individuals, have to ensure that the Application Amount is greater than ₹2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

## **BASIS OF ALLOTMENT**

Allotment will be made in consultation with the Emerge Platform of NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

- 1) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of Applicants in the category x number of Shares applied for).
- 2) The number of Shares to be allocated to the successful Applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

- 3) For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
- i. Each successful Applicant shall be allotted [●] equity shares; and
  - ii. The successful Applicants out of the total applicants for that category shall be determined by the draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- 4) If the proportionate allotment to an Applicant works out to a number that is not a multiple of [●] equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- 5) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Applicants in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.
- 6) Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253(2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:
- a) Minimum fifty percent (50%) To Retail Individual Investors; and
  - b) Remaining to:  
Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for
  - c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/- . Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

#### **PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER AND SYNDICATE MEMBERS**

Except for the Underwriting and Market Making Obligations, the Lead Manager, Underwriters and Market Maker, if any shall not be allowed to subscribe to the Issue in any manner. However, associates and affiliates of the Lead Manager and Syndicate Members, if any, may subscribe to or purchase Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their customers.

#### **OPTION TO SUBSCRIBE IN THE ISSUE**

- (a) As per Section 29 (1) of the Companies Act, 2013, allotment of Equity Shares shall be dematerialized form only. Investors will not have the option of getting of specified securities in physical form.
- (b) The Equity Shares, on Allotment, shall be traded on stock exchange in demat segment only.

- (c) A single application from any investor shall not exceed the investment limit/ minimum number of specified securities that can be held by him/her/ it under the relevant regulations/ statutory guidelines and applicable laws.

## **INFORMATION FOR THE APPLICANTS**

- 1) Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
- 2) Our Company shall, after registering the Prospectus with the RoC, make a pre-issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-issue advertisement, our Company and the Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement shall be in the prescribed format as per ICDR Regulations.
- 3) Copies of the Application Form and the abridged Prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the Stock Exchange.
- 4) Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office.
- 5) Applicants who are interested in subscribing for the Equity Shares should approach the Designated Intermediaries to register their applications.
- 6) Applications made in the Name of Minors and/or their nominees shall not be accepted.
- 7) The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained or UPI ID linked account is maintained in case of retail individual investor, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account or alternatively, the Retail Individual Applicants wishing to apply through UPI Channel, may provide the UPI ID and validate the blocking of the funds and the Application Forms that do not contain such details are liable to be rejected.
- 8) Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained or UPI ID linked account is maintained in case of retail individual investor. Applications submitted directly to the SCSBs or other Designated Intermediaries (Other than SCSBs), the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
- 9) Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account or UPI linked account number is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
- 10) The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

**Applicants are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.**

#### **APPLICATION BY MUTUAL FUNDS**

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to reject the Application without assigning any reason thereof.

Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

#### **APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION**

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and NOT in the names of Minors, Foreign Nationals, Non Residents (except for those applying on non repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families, partnership firms or their nominees. In case of HUF's application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of securities exceeding the number of securities offered to the public. Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE/FCNR accounts as well as NRO accounts.

#### **APPLICATIONS BY ELIGIBLE NRIS/FII'S/RFPIS ON REPATRIATION BASIS**

Application Forms have been made available for Eligible NRIs at our registered Office.

Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The Eligible NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians.

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to the companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. The Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of Issue of shares for Allotment to NRIs on repatriation basis.

Allotment of Equity Shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.



## **APPLICATION BY FPIS (INCLUDING FIIS)**

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FPI Regulations. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Offer in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, where an investor has investments as FPI and also holds positions as an overseas direct investments subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

## **APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors:

Accordingly, the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not reregistered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends, and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, as amended ("LLP Act") a certified copy of certificate of registration issued under the LLP Act must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited Liability partnerships can participate in the Issue only through ASBA process.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the LM, reserve the right to reject any Application without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- (a) *equity shares of a company*: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b) *the entire group of the investee company*: not more than 15% of the respective funds in case of life insurer or 15% of investment assets in case of general insurer or re-insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) *The industry sector in which the investee company operates*: not more than 15% of the fund of a life insurer or a general insurer or a re-insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in case of investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or a general insurer and the amount calculated under points (1), (2) and (3) above, as the case may be.

#### **APPLICATIONS BY BANKING COMPANIES**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserve the right to reject any Application without assigning any reason. The investment limit for banking companies in non-financial services Companies as per the

Banking Regulation Act, 1949, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves.

A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

#### **APPLICATIONS BY SCSBS**

SCSBSs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBSs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBSs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **APPLICATIONS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Applications made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any Bid without assigning any reason thereof. Systematically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **APPLICATIONS UNDER POWER OF ATTORNEY**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs.25 Crores (subject to applicable law) and pension funds with a minimum corpus of Rs.25 Crores a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason, therefore.

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of Rs. 2500 Lacs and pension funds with minimum corpus of Rs. 2500 Lacs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

#### **APPLICATION BY PROVIDENT FUNDS/ PENSION FUNDS**

In case of Applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of filing of the Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in the Prospectus.

#### **OFFER PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA) APPLICANTS**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

#### **METHOD AND PROCESS OF APPLICATIONS**

- 1) Applicants are required to submit their applications during the Issue Period only through the Designated Intermediaries.
- 2) The Issue Period shall be for a minimum of four (4) Working Days and shall not exceed ten (10) Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding ten (10) Working Days.
- 3) During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
- 4) The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Offer.

- 5) The Designated Intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below:

6)

<i>For the applications submitted by the investors to SCSB with using UPI for payment</i>	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.
<i>For applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment</i>	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of the Issue.

- 7) The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.
- 8) Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
- 9) If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
- 10) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
- 11) The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdraw/failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

## TERMS OF PAYMENT

The entire Issue price of Rs. 100.00 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs or Sponsor Bank to unblock the excess amount paid on Application to the Applicants.

SCSBs or Sponsor Bank will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs or Sponsor Bank.

The applicants should note that the arrangement with Banker to the Issue or the Registrar or Sponsor Bank is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

## **PAYMENT MECHANISM FOR APPLICANTS**

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form sent by the Sponsor Bank. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, may use UPI. Pursuant to SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

## **PROCEDURE FOR UNIFIED PAYMENT INTERFACE (UPI)**

**In accordance to the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, to stream line the process of public issue of Equity Shares and convertibles, Phase II shall become effective from July 01, 2019, thereafter for applications by Retail Individual Investors through intermediaries, where the existing process of investor submitting application form with any intermediaries along with bank account details and movement of such application forms from intermediaries to self-certified Syndicate Banks (SCSBs) for blocking of funds, will be discontinued. For such applications only the UPI mechanism would be permissible mode.**

### ***Who can apply through UPI mode?***

Only Retail Individual Investors are allowed to use UPI for the payment in public issues. Qualified Institutional Buyers and High-Net worth Investors shall continue to apply as per the existing process.

### **Process**

Applications through UPI in IPOs (Public Issue) can be made only through the SCSBs/mobile applications whose name appears on the SEBI website: [www.sebi.gov.in](http://www.sebi.gov.in).

### **Blocking Of Funds:**

- a) Investors shall create UPI ID.
- b) Investors shall submit their IPO applications through intermediaries and the investors shall enter UPI ID in the application form.
- c) Thereafter, intermediary shall upload the bid details and UPI ID in the electronic bidding system of the Stock

Exchange.

- d) Stock Exchange shall validate the bid details on the real time basis with depository's records and shall bring the inconsistencies to the notice of intermediaries for rectification and re-submission.
- e) Stock Exchange shall share the details including UPI ID with Sponsor Bank, to enable the Sponsor Bank to initiate the request for the blocking of funds.
- f) Thereafter the investor shall receive notification and shall confirm the request by entering valid UPI PIN and upon such acceptance of request, funds would get blocked and intimation shall be given to the investor regarding blocking of funds.

#### **Unblocking Of Funds:**

- a) After the offer close day, the RTA on the basis of bidding and blocking received from stock exchange undertake a reconciliation and shall prepare Basis of Allotment.
- b) Upon approval of such basis, instructions would be sent to the Sponsor Bank to initiate process for credit of funds in the public offer escrow account and unblocking of excess funds.
- c) Based on authorization given by the investor using UPI PIN at the time of blocking of funds, equivalent to the allotment, would be debited from investors account and excess funds, if any, would be unblocked.

**Further, RIIs would continue to have an option to modify or withdraw the bid till the closure of the offer period. For each such modification of application, RIIs shall submit a revised application and shall receive a mandate request from the Sponsor Bank to be validated as per the process indicated above. Hence, applications made through UPI ID for payment the same shall be revised by using UPI ID only.**

#### **Rejection Grounds Under UPI Payment Mechanism**

An investor making application using any of channels under UPI Payments Mechanism, shall use only his/ her own bank account or only his/ her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

#### **List of Banks Providing UPI Facility**

- a. An investor shall ensure that when applying in the IPO using UPI facility, the name of his Bank shall appear in the list of SCSBs as displayed on the SEBI website.
- b. A list of SCSBs and mobile application which are live for applying in public issues using UPI mechanism is provided on the SEBI Website at the following path:
- c. Home >> Intermediaries/Market Infrastructure Institutions >>Recognised Intermediaries >>Self Certified Syndicate Banks eligible as Issuer Banks for UPI
- d. Investors whose Bank is not live on UPI as on the date of the aforesaid circular, may use the other alternate channels available to them viz. submission of application form with SCSBs or using the facility of linked online trading, demat and bank account (Channel I or II at para 5.1 SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018).
- e. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, may use UPI

## Electronic Registration of Applications

- 1) The Designated Intermediary will register the applications using the on-line facilities of the Stock Exchange.
- 2) The Designated Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of the next Working day from the Offer Closing Date.
- 3) The Designated Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them, (iii) the applications accepted but not uploaded by them or (iv) In case the applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
- 4) Neither the Lead manager nor the Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Application Collecting Intermediaries, (ii) the applications uploaded by any Designated Intermediaries or (iii) the applications accepted but not uploaded by the Designated Intermediaries.
- 5) The Stock Exchange will Offer an electronic facility for registering applications for the Offer. This facility will be available at the terminals of the Designated Intermediaries and their authorised agents during the Offer Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
- 6) With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sr. No.	Details *
1)	Symbol
2)	Intermediary Code
3)	Location Code
4)	Application No.
5)	Category
6)	PAN
7)	DP ID
8)	Client ID
9)	Quantity
10)	Amount

\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields

- 7) With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
  - Name of the Applicant;
  - IPO Name;
  - Application Form Number;
  - Investor Category;
  - PAN Number (of First Applicant, if more than one Applicant);
  - DP ID & Client ID



- Numbers of Equity Shares Applied for;
  - Amount;
  - Location of the Banker to the Offer or Designated Branch, as applicable and bank code of the SCSB branch where the ASBA Account is maintained;
  - Bank Account Number and
  - Such other information as may be required.
- 8) In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mentioned the bank account number, except the Electronic Application Form number which shall be system generated.
  - 9) The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof or having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Application Collecting Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
  - 10) Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
  - 11) The Designated Intermediaries shall have no right to reject the applications, except on technical grounds except as mentioned in the Prospectus.
  - 12) The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way deemed or construed to mean the compliance with various statutory and other requirements by our Company and / or the Lead manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness or any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; not does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.
  - 13) The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Offer Closing Date to verify the PAN No., DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer will receive this data from the Stock Exchange and will validate the electronic application details with the Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
  - 14) The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
  - 15) The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA Applicants.

### **Allocation of Equity Shares**

- 1) The Offer is being made through the Fixed Price Process wherein upto 36,000 Equity Shares shall be reserved for the Market Maker and upto 3,07,000 Equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from the Retail Individual Applicants at the Offer Price. The balance of the Net Offer of upto 3,07,000 Equity Shares will be available for allocation on a proportionate basis to Non Retail Applicants.
- 2) Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead manager and the Stock Exchange.

- 3) Allocation to Non-Residents, including Eligible NRIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

## **OTHER INSTRUCTIONS**

### ***Joint Applications in the case of Individuals***

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

### ***Multiple Applications***

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- i) All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.
- ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- iii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.
- iv) For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post Allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

No separate applications for demat and physical is to be made. If such applications are made, the applications for physical shares will be treated as multiple applications and rejected accordingly.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB and Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple Applications and are liable to be rejected. The Company, in consultation with the LM reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

### **Permanent Account Number or PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (“PAN”) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. **Applications without this information will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

Please note that, Central or State Government and the officials appointed by the courts and investors residing in the State of Sikkim are exempted from specifying their PAN subject to the Depository Participants’ verifying the veracity of such claims of the investors in accordance with the conditions and procedures under this section on Offer Procedure.

### **Option to Receive Equity Shares In Dematerialized Form**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

**Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottee`s shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 the Company shall, after registering the Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation.

### **Signing Of Underwriting Agreement**

The issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Lead Manager on [●].

### **Filing Of the Prospectus with The RoC**

The Company will file a copy of the Prospectus with the RoC in terms of Section 26, Section 32 and of the Companies Act, 2013.

## **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding, and irrevocable contract for the Allotment to such Applicant.
- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

## **Designated Date**

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

## **GENERAL INSTRUCTIONS**

### **Do's:**

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application.
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process the SCSBs where the Applicant has a bank account or a UPI ID linked Bank Account, the Registered Broker (at the Broker Centre's), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Instruct your respective Banks to release the funds blocked in the ASBA Account/UPI ID linked Bank Account
- under the ASBA process;

- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form and in case of Retail Individual Applicants applying through UPI Channel, ensure that you have mentioned the correct UPI ID;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- Ensure that you have correctly signed the authorization/ undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account/ UPI ID linked Bank Account, as the case may be, equivalent to the Application Amount mentioned in the Application Form;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

***Dont's:***

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not use third party bank account or third-party UPI ID linked Bank Account for making the Application;
- Do not apply on another Application Form after you have submitted an application to the Designated Intermediary;
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs.2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;

Further, in case of any pre-issue or post issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer.

## **RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non -Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

In addition to the grounds for rejection of Application on technical grounds as provided in the “General Information Document” Applicants are requested to note that Applications may be rejected on the following additional technical grounds.

## **GROUND FOR REJECTIONS**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- Decemner not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of [●] ;
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant’s identity (DPID) and the beneficiary’s account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations or qualified institutional buyers as defined in Rule

144A under the Securities Act;

- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Applications not containing the details of Bank Account and/or Depositories Account.

#### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Stock Exchange, along with the Lead Managers and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer through the offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. The allotment of Equity Shares to applicants other than to the Retail Individual Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

#### **Instructions for Completing the Application Form**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPIID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchange, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the website of NSE i.e., [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial), enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of NSE i.e., [www.nseindia.com](http://www.nseindia.com).

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID.

## **APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS**

Please note that, providing bank account details, PAN No's, UPI ID (if applicable), Client ID and DP ID in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicant's bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

### **Submission of Application Form**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Offer should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **Disposal Of Applications And Application Moneys And Interest In Case Of Delay**

The Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company shall use best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at Emerge Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the issue.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- Allotment shall be made within three (3) days of the Issue Closing Date;
- Giving of Instructions for refund by unblocking of amount via ASBA not later than 4 (four) working days of the Issue Closing Date, would be ensured; and
- If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law.



Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

### **Impersonation**

*Attention of the applicants is also specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:*

*“Any person who:*

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447 of the Companies Act, 2013 and shall be treated as Fraud.”*

### **Completion of formalities for Listing & Commencement of Trading**

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit to Equity Shares the beneficiary account with DPs, and dispatch the allotment Advise within 6 Working Days of the Issue Closing Date.

### **Mode of Refund**

- In case of ASBA Applicants: Within 6 (six) Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application, for any excess amount blocked on Application, for any ASBA application withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer.
- In the case of Applications from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.
- In case of Other Investors: Within six Working Days of the Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Offer may obtain from the depositories, the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

### **Mode of Making Refund for ASBA Applicants**

In case of ASBA Application, the registrar of the issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

### ***Mode of making refunds for Applicants other than ASBA Applicants***

The payment of refund, if any, may be done through various modes as mentioned below:

- (i) NECS - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder as obtained from the Depository;
- (ii) NEFT - Payment of refund may be undertaken through NEFT wherever the branch of the Bidders' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Bidders through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- (iii) Direct Credit – Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (iv) RTGS – Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the demographic details. Investors should note that on the basis of PAN of the bidder, DP ID and beneficiary account number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders account details, IFSC code, MICR code and occupation (hereinafter referred to as "Demographic Details"). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at their sole risk and neither the Lead Manager or the Registrar to the Issue or the Escrow Collection Bank nor the Company shall have any responsibility and undertake any liability for the same;
- (v) Please note that refunds, on account of our Company not receiving the minimum subscription, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank. For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Bidders may refer to Prospectus.

### **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND:**

The Issuer shall make the Allotment within the period prescribed by SEBI. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the applicant shall be compensated in accordance with applicable law, i.e. the applicant shall be compensated at a uniform rate of Rs. 100.00 per day for the entire duration of delay exceeding Four (4) working days from the Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

## **UNDERTAKINGS BY OUR COMPANY**

The Company undertakes the following:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 working days from Issue Closing date;
- 3) That our Promoter 's contribution in full has already been brought in;
- 4) That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
- 5) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 6) That no further issue of equity shares shall be made till the Equity Shares offered through this Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.;
- 7) That the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non - resident Indians shall be completed within specified time;
- 8) That Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received;
- 9) That if our Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 10) If our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Offer; and
- 11) Those adequate arrangements shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
- 12) That none of the promoters or directors of the company is willful defaulter or a fraudulent borrower under Section 5(c) of SEBI (ICDR) Regulations, 2018.

## **UNDERTAKINGS BY THE SELLING SHAREHOLDER**

The Selling Shareholder undertakes the following in respect of itself as a Selling Shareholder and the Offered Shares:

1. The Offered Shares are eligible for being offered in the Offer for Sale in terms of the SEBI ICDR Regulations;
2. It is the legal and beneficial owner of the Offered Shares and the Offered Shares are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances and shall be in dematerialized form at the time of transfer;
3. It shall deposit its respective portion of the Offered Shares in an escrow demat in accordance with the share

escrow agreement to be executed between the parties to such share escrow agreement;

4. It shall provide such reasonable assistance to our Company and the LM in redressal of such investor grievances that pertain to its respective portion of the Offered Shares;

5. It shall provide such reasonable cooperation to our Company in relation to its respective portion of the Offered Shares for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange; and it shall not have recourse to the proceeds of the Offer until final approval for trading of the Equity Shares from the Stock Exchange has been received that they shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Applicants for making a Applications in the Issue, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Applications in the Issue, except as permitted under applicable law.

#### **UTILIZATION OF ISSUE PROCEEDS**

Our Board of Directors certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of SEBI(LODR) Regulations, 2015 as amended from time to time in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue; and
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6. The Lead manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

#### **EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar to the Issue:

1. Agreement dated November 13, 2023 between CDSL, the Company and the Registrar to the Issue;
2. Agreement dated November 29, 2023 between NSDL, the Company and the Registrar to the Issue;
3. The Company's shares bear an ISIN: INE0S1B01014

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of 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. Foreign investment is allowed up to 100% under automatic route in our Company.

The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment ("FDI") through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion) ("DPIIT"), issued the FDI Policy, which, with effect from October 15, 2020 consolidated, subsumed and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. In terms of FDI Policy, FDI to an extent of 51% is allowed in multi brand retail trading with government approval. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

Under the current FDI Policy and the FEMA Non-Debt Rules, foreign direct investment is not permitted in companies engaged in (a) multi-brand retail trading, undertaking retail trading by means of e-commerce, and (b) inventory-based model of e-commerce. In accordance with the FEMA Non-debt Rules, participation by non-residents in the Issue is restricted to participation by (i) FPIs under Schedule II of the FEMA Non-debt Rules, subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of our Company and the aggregate limit for FPI investment currently not exceeding the sectoral cap i.e. 51% of the post issue paid up share capital; and (ii) Eligible NRIs applying only on a non-repatriation basis under Schedule IV of the FEMA Non-debt Rules. Further, other non-residents applying on a repatriation basis, FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government of India, OCBs cannot participate in this Offer. See "Offer Procedure" beginning on page 245.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Consolidated FDI Policy will be valid until the DPIIT issues an updated circular and shall be subject to FEMA Rules.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectorial limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI. The foreign investment in our Company is governed by, inter-alia, the FEMA, the FEMA Non-debt Rules, the FDI Policy issued and amended by way of press notes.

Further, in terms of the FEMA Non-debt Rules, the aggregate FPI investment limit is the sectoral cap applicable to Indian company as prescribed in the FEMA Non-Debt Instruments Rules with respect to its paid-up equity capital on a fully diluted basis. See "Offer Procedure" beginning on page 245.

Further, in accordance with the FDI Policy, the Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-debt Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Non-debt Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Non-Debt Rules. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/Issue Period.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdiction where those Issues and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be 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. The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.**

## **SECTION IX - DESCRIPTION OF EQUITY SHARES AND TERMS OF 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.

### **INTERPRETATION**

- I.** In these regulations the Act means the Companies Act 2013 the seal means the common seal of the company. Unless the context otherwise requires words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company. The regulations contained under Table F of Schedule I of the Companies Act 2013 shall be applicable to the Company to the extent not modified or excluded by these Articles. The company is a Public Company within the meaning of Section 2 (71) of the Companies Act 2013 and (i) public company means a company which (a) is not a private company (b) has a minimum paid-up share capital (ii) Provided that a company which is a subsidiary of a company not being a private company shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles.

### **SHARE CAPITAL AND VARIATION OF RIGHTS**

**II.**

1. Subject to the provisions of the Act and these Articles the shares in the capital of the company shall be under the control of the Directors who may issue allot or otherwise dispose of the same or any of them to such persons in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
2. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided one certificate for all his shares without payment of any charges or several certificates each for one or more of his shares upon payment of twenty rupees for each certificate after the first. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid - up thereon. In respect of any share or shares held jointly by several persons the company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
3. If any share certificate be worn out defaced mutilated or torn or if there be no further space on the back for endorsement of transfer then upon production and surrender thereof to the company a new certificate may be issued in lieu thereof and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate. The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
4. Except as required by law no person shall be recognised by the company as holding any share upon any trust and the company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable contingent future or partial interest in any share or any interest in any fractional part of a share or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5. The company may exercise the powers of paying commissions conferred by sub-section (6) of Section 40 provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. If at any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may subject to the provisions of section 48 and whether or not the company is being wound up be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. To every such separate meeting the provisions of these regulations relating to general meetings shall mutatis mutandis apply but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
8. Subject to the provisions of section 55 any preference shares may with the sanction of an ordinary resolution be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may by special resolution determine.

### **LIEN**

9. The company shall have a first and paramount lien on every share (not being a fully paid share) for all monies (whether presently payable or not) called or payable at a fixed time in respect of that share and on all shares (not being fully paid shares) standing registered in the name of a single person for all monies presently payable by him or his estate to the company. Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause. The company's lien if any on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
10. The company may sell in such manner as the Board thinks fit any shares on which the company has a lien. Provided that no sale shall be made unless a sum in respect of which the lien exists is presently payable or b until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
11. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
12. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue if any shall subject to a like lien for sums not presently payable as existed upon the shares before the sale be paid to the person entitled to the shares at the date of the sale.

### **CALLS ON SHARES**

13. The Board may from time to time make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call. Each member shall subject to receiving at least fourteen days notice specifying the time or times and place of payment pay to the company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed at the discretion of the Board.
14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.



16. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate if any as the Board may determine. The Board shall be at liberty to waive payment of any such interest wholly or in part.
17. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date whether on account of the nominal value of the share or by way of premium shall for the purposes of these regulations be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. In case of non-payment of such sum all the relevant provisions of these regulations as to payment of interest and expenses forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
18. The Board - a. may if it thinks fit receive from any member willing to advance the same all or any part of the monies uncalled and unpaid upon any shares held by him and b. upon all or any of the monies so advanced may (until the same would but for such advance become presently payable) pay interest at such rate not exceeding unless the company in general meeting shall otherwise direct twelve per cent per annum as may be agreed upon between the Board and the member paying the sum in advance.

### **TRANSFER OF SHARES**

19. Any Member may transfer his / her shares to any other existing members but Board shall have right subject to appeal as prescribed u/s 58 of the Act to refuse registration of transfer of shares. If Any member wants to transfer sell his shares to a person other than existing member he shall give to the person Company intimation of his intention to do so and he shall transfer his shares to such non members only if approval by the Board is obtained granted and communicated in writing to that person to transfer the shares to the non-member. The instrument of transfer of share in the company shall be executed by or on behalf of both the transferor and transferee and shall be deposited with the Company for the registration of transfer of shares within 60 days from the date of execution. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
20. The Board may subject to the right of appeal conferred by section 58 decline to register the transfer of a share not being a fully paid share to a person of whom they do not approve or any transfer of shares on which the company has a lien.
21. The Board may decline to recognise any instrument of transfer unless a. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56 b. the instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer and c. the instrument of transfer is in respect of only one class of shares.
22. On giving not less than seven days previous notice in accordance with section 91 and rules made thereunder the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine. Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

### **TRANSMISSION OF SHARES**

23. On the death of a member the survivor or survivors where the member was a joint holder and his nominee or nominees or legal representatives where he was a sole holder shall be the only persons recognised by the company as having any title to his interest in the shares Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
24. Any person becoming entitled to a share in consequence of the death or insolvency of a member may upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided elect either to be registered himself as holder of the share or to make such transfer of the share as the deceased or insolvent member could have made. The Board shall in either case have the same right to decline or suspend

registration as it would have had if the deceased or insolvent member had transferred the share before his death or insolvency.

25. If the person so becoming entitled shall elect to be registered as holder of the share himself he shall deliver or send to the company a notice in writing signed by him stating that he so elects. If the person aforesaid shall elect to transfer the share he shall testify his election by executing a transfer of the share. All the limitations restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share except that he shall not before being registered as a member in respect of the share be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety days the Board may thereafter withhold payment of all dividends bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with.

### **FORFEITURE OF SHARES**

27. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof the Board may at any time thereafter during such time as any part of the call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued.
28. The notice aforesaid shall name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made and state that in the event of non-payment on or before the day so named the shares in respect of which the call was made shall be liable to be forfeited.
29. If the requirements of any such notice as aforesaid are not complied with any share in respect of which the notice has been given may at any time thereafter before the payment required by the notice has been made be forfeited by a resolution of the Board to that effect.
30. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. At any time before a sale or disposal as aforesaid the Board may cancel the forfeiture on such terms as it thinks fit.
31. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall notwithstanding the forfeiture remain liable to pay to the company all monies which at the date of forfeiture were presently payable by him to the company in respect of the shares. The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
32. A duly verified declaration in writing that the declarant is a director the manager or the secretary of the company and that a share in the company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share The company may receive the consideration if any given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of the transferee shall thereupon be registered as the holder of the share and the transferee shall not be bound to see to the application of the purchase money if any nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture sale or disposal of the share.
33. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a share becomes payable at a fixed time whether on account of the nominal value of the share or by way of premium as if the same had been payable by virtue of a call duly made and notified.

## **ALTERATION OF CAPITAL**

34. The company may from time to time by ordinary resolution increase the share capital by such sum to be divided into shares of such amount as may be specified in the resolution.
35. Subject to the provisions of section 61 the company may by ordinary resolution consolidate and divide all or any of its share capital into shares of larger amount than its existing shares convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person.
36. Where shares are converted into stock the holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulations under which the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit Provided that the Board may from time to time fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose. The holders of stock shall according to the amount of stock held by them have the same rights privileges and advantages as regards dividends voting at meetings of the company and other matters as if they held the shares from which the stock arose but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not if existing in shares have conferred that privilege or advantage. such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words share and shareholder in those regulations shall include stock and stock-holder respectively.
37. The company may by special resolution reduce in any manner and with and subject to any incident authorised and consent required by law its share capital any capital redemption reserve account or any share premium account.

## **CAPITALISATION OF PROFITS**

38. The company in general meeting may upon the recommendation of the Board resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions. The sum aforesaid shall not be paid in cash but shall be applied subject to the provision contained in clause (iii) either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively paying up in full unissued shares of the company to be allotted and distributed credited as fully paid-up to and amongst such members in the proportions aforesaid partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B) A securities premium account and a capital redemption reserve account may for the purposes of this regulation be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
39. Whenever such a resolution as aforesaid shall have been passed the Board shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid shares if any and generally do all acts and things required to give effect thereto. The Board shall have power to make such provisions by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit for the case of shares becoming distributable in fractions and to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the company providing for the allotment to them respectively credited as fully paid-up of any further shares to which they may be entitled upon such capitalisation or as the case may require for the payment by the company on their behalf by the application thereto of their respective proportions of profits resolved to be capitalised of the amount or any part of the amounts remaining unpaid on their existing shares Any agreement made under such authority shall be effective and binding on such members.

## **BUY-BACK OF SHARES**

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force the company may purchase its own shares or other specified securities.

## **GENERAL MEETING**

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.
42. The Board may whenever it thinks fit call an extraordinary general meeting. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India any director or any two members of the company may call an extraordinary general meeting in the same manner as nearly as possible as that in which such a meeting may be called by the Board.

## **PROCEEDINGS AT GENERAL MEETINGS**

43. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as otherwise provided herein the quorum for the general meetings shall be as provided in section 103.
44. The chairperson if any of the Board shall preside as Chairperson at every general meeting of the Company.
45. If there is no such Chairperson or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting the directors present shall elect one of their members to be Chairperson of the meeting.
46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting the members present shall choose one of their members to be Chairperson of the meeting.

## **ADJOURNMENT OF MEETING**

47. The chairperson may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid and as provided in section 103 of the Act it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

## **VOTING RIGHTS**

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares on a show of hands every member present in person shall have one vote and on a poll the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
50. In the case of joint holders the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders. For this purpose seniority shall be determined by the order in which the names stand in the register of members.

51. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote whether on a show of hands or on a poll by his committee or other legal guardian and any such committee or guardian may on a poll vote by proxy.
52. Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.
53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid
54. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairperson of the meeting whose decision shall be final and conclusive.

### **PROXY**

55. 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.
56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105
57. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the shares in respect of which the proxy is given Provided that no intimation in writing of such death insanity revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

### **BOARD DIRECTORS**

58. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them. 1. Hitesh Pragjibhai Dudhagara 2. Ronak Hitesh Dudhagara 3. Krish Hitesh Dudhagara .
59. The remuneration of the directors shall in so far as it consists of a monthly payment be deemed to accrue from day-to-day. In addition to the remuneration payable to them in pursuance of the Act the directors may be paid all travelling hotel and other expenses properly incurred by them in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company or in connection with the business of the company.
60. The Board may pay all expenses incurred in getting up and registering the company.
61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
62. All cheques promissory notes drafts hundis bills of exchange and other negotiable instruments and all receipts for monies paid to the company shall be signed drawn accepted endorsed or otherwise executed as the case may be by such person and in such manner as the Board shall from time to time by resolution determine

63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
64. Subject to the provisions of section 149 the Board shall have power at any time and from time to time to appoint a person as an additional director provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles. Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

### **PROCEEDING OF THE BOARD**

65. The Board of Directors may meet for the conduct of business adjourn and otherwise regulate its meetings as it thinks fit. A director may and the manager or secretary on the requisition of a director shall at any time summon a meeting of the Board.
66. Save as otherwise expressly provided in the Act questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes the Chairperson of the Board if any shall have a second or casting vote.
67. 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.
68. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. If no such Chairperson is elected or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting the directors present may choose one of their number to be Chairperson of the meeting.
69. The Board may subject to the provisions of the Act delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board.
70. A committee may elect a Chairperson of its meetings. If no such Chairperson is elected or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting the members present may choose one of their members to be Chairperson of the meeting.
71. A committee may meet and adjourn as it thinks fit. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present and in case of an equality of votes the Chairperson shall have a second or casting vote.
72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid or that they or any of them were disqualified be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
73. Save as otherwise expressly provided in the Act a resolution in writing signed by all the members of the Board or of a committee thereof for the time being entitled to receive notice of a meeting of the Board or committee shall be valid and effective as if it had been passed at a meeting of the Board or committee duly convened and held.

## **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

74. Subject to the provisions of the Act A chief executive officer manager company secretary or chief financial officer may be appointed by the Board for such term at such remuneration and upon such conditions as it may think fit and any chief executive officer manager company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board A director may be appointed as chief executive officer manager company secretary or chief financial officer
75. 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.

## **SEAL**

76. The Board shall provide for the safe custody of the seal. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

## **DIVIDENDS AND RESERVE**

77. The company in general meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
78. 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.
79. The Board may before recommending any dividend set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall at the discretion of the Board be applicable for any purpose to which the profits of the company may be properly applied including provision for meeting contingencies or for equalizing dividends and pending such application may at the like discretion either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may from time to time thinks fit. The Board may also carry forward any profits which it may consider necessary not to divide without setting them aside as a reserve.
80. Subject to the rights of persons if any entitled to shares with special rights as to dividends all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid but if and so long as nothing is paid upon any of the shares in the company dividends may be declared and paid according to the amounts of the shares. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
81. The Board may deduct from any dividend payable to any member all sums of money if any presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
82. Any dividend interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or in the case of joint holders to the registered address of that one of the joint holders who is first named on the register of members or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

83. Any one of two or more joint holders of a share may give effective receipts for any dividends bonuses or other monies payable in respect of such share.
84. 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.
85. No dividend shall bear interest against the company.

### **ACCOUNTS**

86. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the company or any of them shall be open to the inspection of members not being directors. No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

### **WINDING UP**

87. Subject to the provisions of Chapter XX of the Act and rules made thereunder If the company shall be wound up the liquidator may with the sanction of a special resolution of the company and any other sanction required by the Act divide amongst the members in specie or kind the whole or any part of the assets of the company whether they shall consist of property of the same kind or not. For the purpose aforesaid the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may with the like sanction vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

### **INDEMNITY**

88. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.



## **SECTION X - OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus which will be delivered to the RoC for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Corporate Office between 10 a.m. and 5 p.m. on all Working Days (Monday to Friday) from the date of the Draft Prospectus until the Offer Closing Date.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.

#### **Material Contracts for the Issue**

1. Offer Agreement dated July 15, 2024 between our Company, the Selling Shareholder and the Lead Manager.
2. Registrar Agreement dated June 13, 2024 between our Company and the Registrar to the Offer.
3. Banker(s) to the Offer Agreement dated [●] between our Company, the Selling Shareholder, the Lead Manager, Banker(s) to the Offer and the Registrar to the Offer.
4. Market Making Agreement dated [●], 2024 between our Company, the Selling Shareholder, the Lead Manager and Market Maker.
5. Underwriting Agreement dated [●], 2024 between our Company, the Selling Shareholder, the Lead Manager and the Underwriter.
6. Share Escrow Agreement dated [●] between our Company, Selling Shareholder, the Lead Manager and the Share Escrow Agent.
7. Tripartite agreement between the CDSL, our Company and the Registrar to the Offer dated November 13, 2023
8. Tripartite agreement between the NSDL, our Company and the Registrar to the Offer dated November 29, 2023.

#### **Material Documents**

1. Certified true copy of resolution passed at the meeting of the Board of Directors of our Company dated June 17, 2024, authorizing the Fresh Issue of Equity Shares.
2. Certified true copy of special resolution of the shareholders passed at the Extra Ordinary General Meeting dated June 17, 2024, authorizing the Fresh Issue of Equity Shares.
3. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
4. Copy of Certificate of Incorporation of the Company.
5. Statement of Tax Benefits dated July 10, 2024 issued by B B Gusani & Associates, Chartered Accountants, Peer Review Certified Auditor to the Company.
6. Peer Review Auditor's Report dated July 10, 2024 issued by B B Gusani & Associates, Chartered Accountants, on the Restated Financial Statements of our Company for the period ended October 30, 2023 and financial year ended on March 31, 2024, 2023 and 2022.

- 7.** Copy of Audited Reports for Financial years 2023-24.
- 8.** Consents of our Promoters, the Selling Shareholders, Directors, Company Secretary & Compliance Officer, Chief Financial Officer, the Lead Manager, the Registrar to the Offer, the Statutory Auditors to the Company, Peer Review Auditor, the Legal Advisor to the Issue, Legal Advisor to the Company, Banker(s) to the Company, Market Maker(s), Underwriter(s), and the Banker(s) to the Issue/ Escrow Collection Bank(s) to act in their respective capacities.
- 9.** Certificate of Key Performance Indicators (KPIs) dated July 11, 2024 issued by B B Gusani & Associates, Chartered Accountants.
- 10.** Certificate of working capital requirement dated July 11, 2024 issued by B B Gusani & Associates, Chartered Accountants.
- 11.** Copy of approval from NSE vide letter dated [●], to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of National Stock Exchange of India Limited.
- 12.** Due Diligence Certificate dated July 16, 2024 from the Lead Manager to NSE Emerge.

Any of the contracts or documents mentioned in the Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY:**

**Sd/-**

**Hitesh Pragajibhai Dudhagara**  
Managing Director

**Date: July 16, 2024**

**Place: Jamnagar, Gujarat**

## **DECLARATION**

I, hereby declare that, all the relevant provisions of the Companies Act, 2013 (to the extent notified) and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. I further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**

**Sd/-**

**Ronak Hitesh Dudhagara**  
Executive Director

**Date: July 16, 2024**

**Place: Jamnagar, Gujarat**

## **DECLARATION**

I, hereby declare that, all the relevant provisions of the Companies Act, 2013 (to the extent notified) and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. I further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY:**

**Sd/-**

**Vishal Pansara**

Non-Executive Independent Director

**Date: July 16, 2024**

**Place: Jamnagar, Gujarat**

## **DECLARATION**

I, hereby declare that, all the relevant provisions of the Companies Act, 2013 (to the extent notified) and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. I further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**

**Sd/-**

**Krish Dudhagara**  
Non-Executive Director

**Date: July 16, 2024**

**Place: Jammagar, Gujarat**

## **DECLARATION**

I, hereby declare that, all the relevant provisions of the Companies Act, 2013 (to the extent notified) and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. I further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY:**

**Sd/-**

**Nikhil Malpani**

Non- Executive Independent Director

**Date: July 16, 2024**

**Place: Jamnagar, Gujarat**

## **DECLARATION**

I, hereby declare that, all the relevant provisions of the Companies Act, 2013 (to the extent notified) and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. I further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

### **SIGNED BY THE CFO OF OUR COMPANY:**

Sd/-

**Hiren Jamanbhai Patoriya**  
Chief Financial Officer

**Date: July 16, 2024**

**Place: Jamnagar, Gujarat**



## **DECLARATION**

I, hereby declare that, all the relevant provisions of the Companies Act, 2013 (to the extent notified) and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. I further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

### **SIGNED BY THE CS OF OUR COMPANY:**

Sd/-

**Hetal Vachhani**

Company Secretary & Compliance officer

**Date: July 16, 2024**

**Place: Jammagar, Gujarat**

## **DECLARATION**

I, Hitesh Pragajibhai Dudhagara, hereby certify that all the Statements, disclosures and undertakings Specifically made or confirmed in this Draft Prospectus in relation to myself, as a Selling Shareholder and my portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings including any statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Prospectus.

### **SIGNED BY THE SELLING SHAREHOLDER TO THE OFFER**

Sd/-

**Hitesh Pragajibhai Dudhagara**

Managing Director and Selling Shareholder

**Date: July 16, 2024**

**Place: Jamnagar, Gujarat**

## **DECLARATION**

I, Ronak Hitesh Dudhagara, hereby certify that all the Statements, disclosures and undertakings Specifically made or confirmed in this Draft Prospectus in relation to myself, as a Selling Shareholder and my portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings including any statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Prospectus.

### **SIGNED BY THE SELLING SHAREHOLDER TO THE OFFER**

Sd/-

**Ronak Hitesh Dudhagara**

Executive Director and Selling Shareholder

**Date: July 16, 2024**

**Place: Jamnagar, Gujarat**