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**DRAFT RED HERRING PROSPECTUS**

Dated: February 14, 2025



(The Draft Red Herring Prospectus will be updated upon filing with the RoC)

Please read Section 26 and 32 of the Companies Act, 2013

100% Book Built Issue



**SAFFRON SPECIALITY PAPERS LIMITED**  
**CORPORATE IDENTITY NUMBER: U51396MH2008PLC181181**

REGISTERED OFFICE		CONTACT PERSON		EMAIL AND TELEPHONE		WEBSITE					
Survey No. 53, Hissa 29, 75/2 and 77/5, Village Aamne Near Indian Petrol Pump, Thane, Bhiwandi 421302, Maharashtra		Agrima Shah, Company Secretary and Compliance Officer		E-mail: info@saffronindia.net Tel: 022 35216275		www.saffronindia.net					
<b>OUR PROMOTERS: SWETA AGARWAL, HARSHIEL AGARWAL AND ABBAS PRESSWALA</b>											
DETAILS OF THE PUBLIC ISSUE											
TYPE		FRESH ISSUE SIZE		OFFER FOR SALE SIZE		TOTAL ISSUE SIZE		ELIGIBILITY			
Fresh Issue		Fresh Issue of up to 54,00,000 Equity Shares aggregating up to ₹ [•] Lakhs		Not Applicable		Aggregating to up to ₹ [•] Lakhs		The Issue is being made in Terms of Regulation 229 (2) of the SEBI ICDR Regulations. For details in relation to share reservation amongst Qualified Institutional Buyers, Non-Institutional Bidders and Retail Individual Bidders see "Issue Structure" beginning on page no. 284 of this Draft Red Herring Prospectus.			
DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR WEIGHTED AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES											
RISKS IN RELATION TO THE FIRST ISSUE											
This being the first public issue of equity shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Issue Price, Floor Price and Price Band (as determined by our Company in consultation with the Book Running Lead Manager) on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in 'Basis for Issue Price' on page no. 99 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.											
GENERAL RISKS											
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page no. 27 of this Draft Red Herring Prospectus.											
ISSUER'S ABSOLUTE RESPONSIBILITY											
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring 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 Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.											
LISTING											
The Equity Shares offered through the Draft Red Herring Prospectus are proposed to be listed on SME Platform of BSE Limited ("BSE SME" or the "Stock Exchange"). Our Company has received "In-Principle" approval from the BSE SME for using its name in the offer document for the listing of the Equity Shares, pursuant to letter dated [•]. For the purposes of the Issue, BSE Limited ("BSE") shall be the Designated Stock Exchange.											
BOOK RUNNING LEAD MANAGER											
Name of BRLMs and logo			Contact Persons				Email and Telephone				
 <b>BOI Merchant Bankers Limited</b>			Sanjay M Phadke				Tel: 022 6131 2906 Email: info@boimb.com				
REGISTRAR TO THE ISSUE											
Name of Registrar			Contact Person				Email and Telephone				
 <b>NSDL Database Management Limited</b>			Nilesh Bhandare				Tel: 022 49142700 Email: ipo.saffron@ndml.in				
BID/ ISSUE PERIOD											
ANCHOR INVESTOR BID/ ISSUE PERIOD		[•]*		BID/ ISSUE OPENS ON		[•]		BID/ ISSUE CLOSES ON		[•]**	

<sup>^</sup> Subject to finalisation of Basis of Allotment

\* Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be 1 (one) Working Day prior to the Bid/Issue Opening Date.

\*\*Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs 1 (one) Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.



## SAFFRON SPECIALITY PAPERS LIMITED

Our Company was originally incorporated as 'Albatross Speciality Papers Private Limited' under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated April 15, 2008 issued by the Assistant Registrar of Companies, Maharashtra, Mumbai. Thereafter, upon change in control and management of the Company, pursuant to special resolution passed by the shareholders of our Company at the extraordinary general meeting held on January 18, 2011 at shorter notice, the name of our Company was changed to 'Saffron Speciality Papers Private Limited' and a fresh certificate of incorporation pursuant to change of name dated January 28, 2011 was issued by Deputy Registrar of Companies, Maharashtra, Mumbai. Thereafter, our Company was converted to a public limited company, pursuant to a special resolution passed by the shareholders of our Company at the extraordinary general meeting held on June 12, 2024 and the name of our Company was changed to 'Saffron Speciality Papers Limited' and a fresh certificate of incorporation consequent upon conversion to a public limited company dated September 17, 2024 was issued to our Company by the Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies, Central Processing Centre. For details in relation to change in the address of the registered office of our Company, see "History and Certain Corporate Matters" on page no. 168 of this Draft Red Herring Prospectus.

**Registered Office:** Survey No. 53, Hissa 29, 75/2 and 77/5, Village Aamne Near Indian Petrol Pump, Thane, Bhiwandi 421302, Maharashtra; **Email:** info@saffronindia.net; **Tel:** 022 35216275

**Contact Person:** Agrima Shah, Company Secretary and Compliance Officer; **E-mail:** cs@saffronindia.net

**Website:** www.saffronindia.net

**Corporate Identity Number:** U51396MH2008PLC181181

### OUR PROMOTERS: SWETA AGARWAL, HARSHIEL AGARWAL AND ABBAS PRESSWALA

INITIAL PUBLIC OFFERING OF UP TO 54,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF SAFFRON SPECIALITY PAPERS LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [•] PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING ₹ [•] LAKHS ("THE ISSUE"), OF WHICH UPTO [•] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE AGGREGATING TO ₹ [•] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E., NET ISSUE OF UPTO [•] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [•] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE AGGREGATING TO ₹ [•] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND NET ISSUE WILL CONSTITUTE [•]% AND [•]% RESPECTIVELY OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH AND THE ISSUE PRICE IS [•] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN ALL EDITIONS OF [•] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF [•] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER), MUMBAI EDITION OF [•] (A WIDELY CIRCULATED MARATHI DAILY NEWSPAPER, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE, AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF BSE ("BSE SME"), FOR THE PURPOSE OF UPLOADING ON ITS WEBSITES IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

In case of any revision in the Price Band, the Bid/ Issue Period may be extended by at least 3 (three) additional Working Days after such revision in the Price Band, subject to the Bid/ Issue Period not exceeding 10 (ten) Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of 3 (three) Working Days, subject to the Bid/ Issue Period not exceeding 10 (ten) Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank(s), as applicable.

This Issue is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations") and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLM may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) ("Net QIB Portion"). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, other than Anchor Investors, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Potential Bidders, other than Anchor Investors, are required to participate in the Issue by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts which were blocked by the Self Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, please refer to the chapter titled "Issue Procedure" on page no. 289 of this Draft Red Herring Prospectus.

### RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Issue Price, Floor Price and Price Band (as determined by our Company in consultation with the Book Running Lead Manager) on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in 'Basis for Issue Price' on page no. 99 of this Draft Red Herring Prospectus should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issuer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page no. 27 of this Draft Red Herring Prospectus.

### ISSUER'S ABSOLUTE RESPONSIBILITY

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

### LISTING

The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on SME Platform of BSE Limited ("BSE SME" or the "Stock Exchange"), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received 'in-principle' approval letter dated [•] from BSE for using its name in this offer document for listing our Equity Shares on BSE SME. For the purposes of this Issue, the Designated Stock Exchange shall be BSE Limited ("BSE"). A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26 and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/ Issue Closing Date, see "Material Contracts and Documents for Inspection" on page no. 351 of this Draft Red Herring Prospectus.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE ISSUE	
<b>BOI Merchant Bankers Limited</b> Star House 2, Plot No C-4, G Block, 1 <sup>st</sup> Floor Bandra Kurla Complex, Bandra East, Mumbai 400051 <b>Tel:</b> 022 6131 2906 <b>Email:</b> info@boimb.com <b>Investor Grievance Email:</b> compliance@boimb.com <b>Website:</b> www.boimb.com <b>Contact Person:</b> Sanjay M Phadke <b>SEBI Registration No:</b> INM000012201		<b>NSDL Database Management Limited</b> 4th Floor, Tower 3, One International Centre Senapati Bapat Marg, Prabhadevi, Mumbai 400013 <b>Tel:</b> 022 49142700 <b>Email:</b> nileshb@ndml.in <b>Investor Grievance Email:</b> ipo.saffron@ndml.in <b>Website:</b> www.ndml.in <b>Contact Person:</b> Nilesh Bhandare <b>SEBI Registration Number:</b> INR000004181	
BID / ISSUE PERIOD			
ANCHOR INVESTOR BID/ISSUE PERIOD	[•]*	BID/ISSUE OPENS ON	[•]
		BID/ISSUE CLOSES ON	[•]**

<sup>^</sup>Subject to finalization of the Basis of Allotment

\* Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be 1 (one) Working Day prior to the Bid/Issue Opening Date.

\*\*Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs 1 (one) Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

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

Notwithstanding the foregoing, the terms not defined but used in the chapters titled “*Statement of Possible Tax Benefits*”, “*Basis for Issue Price*”, “*Restated Financial Statements*”, “*Outstanding Litigations and Material Developments*”, “*Key Industry Regulations and Policies*” and section titled “*Main Provisions of the Articles of Association*” on page 107, 99, 194, 252, 159 and 316 respectively of this Draft Red Herring Prospectus, shall have the meanings ascribed to such terms in the respective sections.

#### General Terms

Term	Description
Saffron Speciality Papers Limited / our Company / the Company / the Issuer	Saffron Speciality Papers Limited incorporated under the Companies Act, 1956 and having its Registered Office at Survey No. 53, Hissa 29, 75/2 and 77/5, Village Aamne Near Indian Petrol Pump, Thane, Bhiwandi 421302, Maharashtra
We / us / our	Unless the context otherwise indicates or implies, refers to our Company.
You / your / yours	Prospective investors in this Issue.

#### Company Related Terms

Term	Description
Articles of Association / AoA	Articles of association of our Company, as amended.
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, as described in “ <i>Our Management – Committees of the Board</i> ” beginning on page no. 173 of this Draft Red Herring Prospectus
Auditors/ Statutory Auditors/ Peer Review Auditor	Statutory auditors of our Company, namely, M/s. SKVM and Company, Chartered Accountant
Board/ Board of Directors / our Board	The Board of Directors of our Company unless otherwise specified or any committee constituted thereof, as described in “ <i>Our Management - Board of Directors</i> ” on page no. 173 of this Draft Red Herring Prospectus
CFO	Chief Financial Officer of our Company being Vipul Desai. For further details see, “ <i>Our Management - Key Managerial Personnel</i> ” on page no. 173 of this Draft Red Herring Prospectus
Chairman	The Chairman of Board of Directors, being Sweta Agarwal. For further details see, “ <i>Our Management – Board of Directors</i> ” on page no. 173 of this Draft Red Herring Prospectus
Company Secretary and Compliance Officer	Company Secretary and Compliance Officer of our Company being Agrima Shah. For further details see, “ <i>Our Management - Key Managerial Personnel</i> ” on page no. 173 of this Draft Red Herring Prospectus
Corporate Social Responsibility Committee /	Corporate social responsibility committee of our Board, as described in “ <i>Our Management – Committees of the Board</i> ” beginning on page no. 173 of this Draft

<b>Term</b>	<b>Description</b>
CSR Committee	Red Herring Prospectus, constituted in accordance with the Companies Act, 2013.
Director(s)	Director(s) on the Board.
Equity Shares	Equity shares of our Company of face value of ₹ 10/- each unless otherwise specified in the context thereof.
Executive Director / Whole-time Director	A whole-time director / executive director of our Company. For further details, see “ <i>Our Management – Board of Directors</i> ” beginning on page no. 173 of this Draft Red Herring Prospectus
Group Company	Group company of our Company, identified in terms of SEBI ICDR Regulations. For details of our Group Company, see “ <i>Our Group Company</i> ” beginning on page no. 191 of this Draft Red Herring Prospectus
Independent Directors	Independent Directors on our Board, who are eligible to be appointed as independent directors under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see “ <i>Our Management – Board of Directors</i> ” beginning on page no. 173 of this Draft Red Herring Prospectus
Infomerics	Infomerics Analytics & Research Private Limited
Infomerics Report	The report entitled “ <i>Printing &amp; Packaging Industry Report</i> ” dated December 20, 2024, prepared by Infomerics.  The Infomerics Report has been commissioned and paid for by our Company and has been exclusively prepared for the purpose of the Issue. The Infomerics Report is also available on the website of the Company at <a href="http://www.saffronindia.net">www.saffronindia.net</a> .
ISIN	International Securities Identification Number of our Company i.e. INE0U2401010.
Key Managerial Personnel (KMP)	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act and as disclosed in “ <i>Our Management - Key Managerial Personnel and Senior Management</i> ” on page no. 173 of this Draft Red Herring Prospectus.
MD or Managing Director	The managing director of our Company, Sweta Agarwal as disclosed in “ <i>Our Management – Board of Directors</i> ” beginning on page no. 173 of this Draft Red Herring Prospectus.
Manufacturing Facilities	Unit 1 - Manufacturing unit situated at Survey No. 53, Hissa 29, 75/2 and 77/5, Village Aamne Near Indian Petrol Pump, Thane, Bhiwandi 421302, Maharashtra  Unit 2 - Manufacturing unit situated at Survey No. 74 and 75/1, Village Aamne Near Indian Petrol Pump, Thane, Bhiwandi 421302, Maharashtra  Unit 1 and Unit 2 collectively known as ‘ <i>Manufacturing facilities</i> ’.
Materiality Policy	The policy adopted by our Board pursuant to its resolution dated December 21, 2024 for identification of: (a) material outstanding litigations; (b) Group Company; and (c) material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations and for the purpose of disclosure in the Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus.
MOA/ Memorandum/ Memorandum of Association	The Memorandum of Association of our Company, as amended.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, as described in “ <i>Our Management - Committees of the Board</i> ” on page no. 173 of this Draft Red Herring Prospectus, constituted in accordance with the Companies Act, 2013 and SEBI Listing Regulations.
Non-Executive Director	A Director, not being a Whole-time Director or Managing Director, for further details, see “ <i>Our Management - Board of Directors</i> ” beginning on page no. 173 of this Draft Red Herring Prospectus.
Promoter(s)	Unless the context otherwise requires, refers to Sweta Agarwal, Harshiel Agarwal and Abbas Presswala.
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, as disclosed in “ <i>Our Promoters and Promoter Group</i> ” beginning on page no. 173 of this Draft Red

<b>Term</b>	<b>Description</b>
	Herring Prospectus
Registered Office	The registered office of our Company situated at Survey No. 53, Hissa 29, 75/2 and 77/5, Village Aamne Near Indian Petrol Pump, Thane, Bhiwandi 421302, Maharashtra
Registrar of Companies or RoC	Registrar of Companies, Maharashtra, Mumbai.
Restated Financial Statements	The restated financial statements of our Company comprising the restated summary statements of assets and liabilities as at August 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 and the restated statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the five months period ended August 31, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 together with the statement of significant accounting policies, and other explanatory information thereon, each derived from the audited financial statements of our Company for the five months period ended August 31, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, prepared in accordance with Ind AS, and restated in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by ICAI, as amended from time to time.
Shareholders	The equity shareholders of our Company whose names are entered into (i) the register of members of our Company; or (ii) the records of a depository as a beneficial owner of Equity Shares.
Stakeholders’ Relationship Committee	The stakeholders’ relationship committee of our Board, as described in “ <i>Our Management-Committees of the Board</i> ” on page no. 173 of this Draft Red Herring Prospectus
Senior Management	Senior Management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in the chapter titled “ <i>Our Management</i> ” beginning on page no. 173 of this Draft Red Herring Prospectus

### Issue Related Terms

<b>Term</b>	<b>Description</b>
Abridged Prospectus	Abridged Prospectus means a memorandum containing salient features of a prospectus as may be specified by the SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form.
Allot / Allotment /Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders 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	A successful Bidder to whom the Equity Shares are Allotted.
Anchor Investor	A Qualified Institutional Buyer, who applied under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus.
Anchor Investor Allocation Price	The price at which the Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and Prospectus, which will be decided by our Company, in consultation with the BRLM, during the Anchor Investor Bidding Date.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus.
Anchor Investor Bid/ Issue Period/ Anchor Investor Bidding Date	[•] being 1 (one) Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLMs will not accept any Bids from Anchor Investors and allocation to Anchor Investors shall be completed.

<b>Term</b>	<b>Description</b>
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the BRLM.
Anchor Investor Pay-in Date	With respect to the Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, a date not later than 2 (two) Working Days after the Bid/ Issue Closing Date.
Anchor Investor Portion	Up to 60% of the QIB Portion, which may be allocated by our Company in consultation with the BRLM, to the Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Applicant/ Bidder/ Investor	Any prospective investor who makes an application for Equity Shares in terms of this Draft Red Herring Prospectus.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.
Application Form/ Bid cum Application Form	The form in terms of which the Applicant shall make an Application, including ASBA Form, and which shall be considered as the application for the Allotment pursuant to the terms of this Draft Red Herring Prospectus.
ASBA Account	A bank account maintained with an SCSB and specified in the Bid cum Application Form which will be blocked by such SCSB to the extent of the appropriate Bid Amount in relation to a Bid by a Bidder (other than a Bid by an Anchor Investor) and includes a bank account maintained by a UPI Bidder linked to a UPI ID, which will be blocked upon acceptance of a UPI Mandate Request made by UPI Bidders using the UPI Mechanism.
ASBA Bidders	All Bidders except Anchor Investors.
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus.
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 [•]
Banker to the Issue Agreement	Agreement dated [•] entered into amongst the Company, Book Running Lead Manager, the Registrar and the Banker of the Issue
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Issue, as described in “ <i>Issue Procedure</i> ” beginning on page no. 289 of this Draft Red Herring Prospectus
Bid	An indication to make an offer during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Issue Period by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations. The term “Bidding” shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder and, in the case of RIIs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIIs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid in the Issue, as applicable.
Bid Lot	[•] Equity Shares and in multiples of [•] Equity Shares thereafter.
Bid/ Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [•], which shall be notified in all editions of [•] (a widely circulated English national daily



Term	Description
	<p>newspaper), all editions of [•] (a widely circulated Hindi national daily newspaper), Mumbai edition of [•] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located).</p> <p>In case of any revisions, the extended Bid/ Issue Closing Date will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the websites of the Book Running Lead Managers and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank.</p> <p>Our Company, in consultation with the Book Running Lead Managers, may consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.</p>
Bid/ Issue Opening Date	<p>Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [•], which shall be notified in all editions of [•] (a widely circulated English national daily newspaper), all editions of [•] (a widely circulated Hindi national daily newspaper), Mumbai edition of [•] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located).</p> <p>In case of any revision, the extended Bid/Issue Opening Date will also be widely disseminated by notification the Stock Exchange, by issuing a public notice, and also by indicating the change on the website of the Book Running Lead Managers and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s).</p>
Bid/ Issue Period	<p>Except in relation to the Anchor Investors, the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations, provided that such period shall be kept open for a minimum of 3 (three) Working Days.</p> <p>Our Company, in consultation with the BRLM, may consider closing the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations.</p> <p>In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of three Working Days, subject to overall Bid/Issue Period not exceeding 10 (ten) Working Days.</p>
Bidding Centers	Centers at which the Designated Intermediaries accepted the Bid cum Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	The book building process as described in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
“Book Running Lead Manager” or “BRLM”	The Book Running Lead Manager to the Issue namely, BOI Merchant Bankers Limited, SEBI registered Category-I Merchant Banker.
Broker Centers	Broker Centres notified by the Stock Exchange where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchange ( <a href="http://www.nseindia.com">www.nseindia.com</a> )
“CAN” or “Confirmation of Allocation Note”	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/Issue Period.
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price will not be finalized and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall not be more than 120% of the Floor Price.

<b>Term</b>	<b>Description</b>
Client ID	Client identification number maintained with one of the Depositories in relation to dematerialized account.
Collecting Depository Participant/ CDP	A depository participant, as defined under the Depositories Act, 1996 and registered under Section 12 (1A) of the SEBI Act and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR /CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches	Such branches of SCSBs which coordinate Bids under the Issue with the BRLM, the Registrar and the Stock Exchanges, 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> .
Cut-off Price	Issue Price, authorized by our Company, in consultation with the BRLM which shall be any price within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details and UPI ID, wherever applicable.
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 as amended from time to time, being NSDL and CDSL
Depository Participant / DP	A depository participant as defined under the Depositories Act.
Designated CDP Locations	Such locations of the CDPs where Bidders submitted the ASBA 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 ASBA Forms are available on the websites of the Stock Exchange ( <a href="http://www.nseindia.com">www.nseindia.com</a> ).
Designated Date	The date on which the Escrow Collection Banks transfer funds from the Escrow Accounts to the Public Issue Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, where made available, instruction issued through the Sponsor Banks) 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 Red Herring Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.
Designated Intermediary(ies)	Collectively, the Syndicate, Sub-Syndicate Members/agents, SCSBs (other than in relation to RIBs using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorized to collect Bid cum Application Forms from the Bidders, in relation to the Issue.  In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs.  In relation to ASBA Forms submitted by QIBs and NIIs (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs.
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective of the Stock Exchange ( <a href="http://www.nseindia.com">www.nseindia.com</a> )
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Bid 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/home/list/5/33/0/0/">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/</a> or at such other website as may be prescribed by SEBI from time to time.

<b>Term</b>	<b>Description</b>
Designated Market Maker	[•] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations
Designated Stock Exchange	BSE Limited
DP ID	Depository Participant's identity number.
Draft Red Herring Prospectus/ DRHP	The Draft Red Herring Prospectus dated February 14, 2025 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue, including any addenda or corrigenda thereto.
Eligible FPIs	FPIs that are eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices.
Eligible NRI(s)	A non-resident Indian from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to subscribe to the Equity Shares.
Escrow Account(s)	Account opened with the Escrow Collection Bank and in whose favor the Anchor Investors transferred money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid.
Escrow Collection Bank(s)/ Anchor Escrow Bank	Banks which are clearing members and registered with SEBI as Bankers to an Issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Accounts will be opened, in this case being [•].
FECE	Free Cash Flow to Equity
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India
First/ Sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
Fraudulent Borrower	Fraudulent borrower 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	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs.
Issue	The initial public offering of up to 54,00,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [•] each, aggregating up to ₹ [•] Lakhs.
Issue Agreement	Agreement dated February 12, 2025 between our Company and the BRLMs pursuant to which certain arrangements have been agreed to in relation to the Issue.

<b>Term</b>	<b>Description</b>
Issue Price	The final price at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of this Draft Red Herring Prospectus. The Issue Price will be decided by our Company, in consultation with the BRLM on the Pricing Date, in accordance with the Book Building Process and in terms of this Draft Red Herring Prospectus.
Issue Proceeds	The proceeds of the Issue, which shall be available to our Company. For further information about use of the Issue Proceeds, see “ <i>Objects of the Issue</i> ” beginning on page no. 84 of this Draft Red Herring Prospectus
Market Making Agreement	The Market Making Agreement dated [•] between our Company, Book Running Lead Managers and Market Maker
Market Maker Reservation Portion	The reserved portion of up to [•] Equity Shares of ₹ 10 each at an Issue price of ₹ [•] each aggregating to ₹ [•] Lakhs to be subscribed by Market Maker in this Issue
Mobile Applications	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=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Bids using the UPI Mechanism.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Mutual Fund Portion	5% of the Net QIB Portion (excluding the Anchor Investor Portion), or [•] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Net Proceeds	Proceeds of the Issue less the Issue related expenses. For further information about use of the Issuer Proceeds and the Issue related expenses, see “ <i>Objects of the Issue</i> ” beginning on page no. 84 of this Draft Red Herring Prospectus.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Non-Institutional Portion	The portion of the Net Issue being not less than 15% of the Net Issue consisting of [•]* Equity Shares, available for allocation to Non-Institutional Bidders, on a proportionate basis. The allocation to each Non-Institutional Investor shall not be less than ₹ 200,000 subject to availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis, subject to valid Bids being received at or above the Issue Price, in accordance with the SEBI ICDR Regulations. <i>*Subject to finalization of Basis of Allotment</i>
Non-Institutional Investors/ Non-Institutional Bidders/ NIIs/ NIBs	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with the SEBI that are not QIBs (including Anchor Investors) or Retail Individual Investors and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs).
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, QFIs, FPIs and FVCIs.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership firm, limited liability partnership firm, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price band of a minimum price of ₹ [•] per Equity Share (Floor Price) and the maximum price of ₹ [•] per Equity Share (Cap Price) including any revisions thereof. The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM, and will be advertised, at least 2 (two) Working Days prior to the Bid/Issue Opening Date, in all editions of [•] (a widely circulated English national daily newspaper), all editions of [•] (a widely circulated Hindi national daily newspaper), Mumbai edition of [•] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located), each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.

<b>Term</b>	<b>Description</b>
Prospectus	Prospectus to be filed with the RoC for this Issue on or after the Pricing Date in accordance with Sections 26 and 32 of the Companies Act, 2013 and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account	Bank account opened with the Banker to the Issue, under Section 40(3) of the Companies Act, 2013, to receive monies from SCSBs of the ASBA Accounts, on the Designated Date.
Public Issue Account Bank	The bank with which the Public Issue Account is opened for collection of Bid Amounts from Escrow Account and ASBA Account on the Designated Date, in this case being [•].
Qualified Foreign Investor/ 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.
QIB Category/ QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not less than 50% of the Net Issue consisting of [•]* Equity Shares which shall be available for allocation to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors). <i>*Subject to finalization of Basis of Allotment</i>
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus/ RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act 2013 and the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares shall be Allotted and which will be filed with the RoC at least 3 (three) Working Days before the Bid /Issue Opening Date and became the Prospectus after filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto.
Refund Account(s)	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made.
Refund Bank	The bank which is a clearing member registered with SEBI under the SEBI BTI Regulations, with whom the Refund Account has been opened, in this case being [•].
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the BRLM and the Syndicate Members and eligible to procure Bids in terms of circular number CIR/CFD/14/2012 dated October 14, 2012 and the UPI Circulars, issued by SEBI.
Registrar Agreement	The agreement dated February 10, 2025 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	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and the UPI circular, as per the lists available on the websites of NSE
Registrar to the Issue/ Registrar	NSDL Database Management Limited
Retail Portion	The portion of the Net Issue being not less than 35% of the Net Issue comprising of [•]* Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, which shall not be less than the minimum Bid Lot, subject to valid Bids being received at or above the Issue Price. <i>*Subject to finalization of Basis of Allotment.</i>
Retail Individual Investors / RIIs/ Retail Individual Bidders/ RIBs	Bidders (including HUFs and Eligible NRIs) who's Bid Amount for Equity Shares in the Issue was not more than ₹ 200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid

Term	Description
	Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. Non-Institutional Investors bidding in the Non-Institutional Portion are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIIs can revise their Bids during Bid / Issue period and withdraw their Bids until Bid / Issue Closing Date.
Self-Certified Syndicate Bank(s)/ SCSB(s)	<p>Banks registered with the SEBI which offer the facility of (i) ASBA (other than through UPI Mechanism), a list of which is available on the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int mId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int mId=34</a>) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time; (ii) ASBA (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;int mId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int mId=40</a> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.</p> <p>In relation to Bids (other than Bids by Anchor Investor) 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 Form from the members of the Syndicate is available on the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int mId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int mId=35</a>) and updated from time to time. For more information on such branches collecting Bid cum Application Form from the Syndicate at Specified Locations, see the website of the SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int mId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int mId=35</a> as updated from time to time.</p> <p>Applications through UPI in the Offer can be made only through the SCSBs Mobile Apps A list of SCSBs and mobile applications, which, are live for applying in public issues using UPI mechanism is provided as Annexure 'A' to the SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019</p>
SME Exchange	SME Platform of BSE i.e. BSE SME
SME Platform	SME Platform of BSE, for Listing of Equity Shares offered under Chapter IX of SEBI (ICDR) Regulations, which was approved by SEBI as SME Exchange
Specified Locations	Bidding centers where the Syndicate shall accept Bid cum Application Forms from Bidders, a list of which is included in the Bid cum Application Form.
Sponsor Bank(s)	The Banker to the Issue which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed by the Company, in consultation with the BRLMs to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of UPI Bidders as per the UPI Mechanism and carry out other responsibilities in terms of the UPI Circulars, in this case being [•].
Syndicate Agreement	Agreement to be entered into among our Company, the Registrar to the Issue, the BRLM and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate.
Syndicate Members	Syndicate members to the Issue as defined under Regulation 2(1)(hhh) of the SEBI ICDR Regulations (other than the BRLMs), in this case [•].
Syndicate/ Members of the Syndicate	Together, the BRLM and the Syndicate Members.
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Underwriters	[•] and [•]
Underwriting Agreement	The agreement dated [•] among the Underwriters and our Company to be entered into on or after the Pricing Date but prior to filing of Prospectus.
UPI	Unified payments interface which is an instant payment mechanism, developed by

<b>Term</b>	<b>Description</b>
	NPCI.
UPI Bidders	<p>Collectively, individual investors applying as (i) Retail Individual Investors in the Retail Portion; and (ii) Non-Institutional Bidders with an application size of up to ₹ 500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agent.</p> <p>Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the Application Form submitted with: (i) a Syndicate Member, (ii) a Stock Broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository Participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a Registrar to an Issue and Share Transfer Agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)</p>
UPI Circulars	SEBI circular number CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, March 2021 Circular, June 2021 Circular, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the UPI Bidders, by way of a notification on the UPI application and by way of a SMS directing the UPI Bidders to such UPI application) to the UPI Bidders initiated by the Sponsor Bank to authorize blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI, and the subsequent debit of funds in case of Allotment.
UPI Mechanism	The Bidding mechanism that is used by Retail Individual Investors to make Bids in the Issue in accordance with the UPI Circulars to make as ABA bid in the Issue.
UPI PIN	Password to authenticate UPI transaction.
Wilful Defaulter or Fraudulent Borrower	A wilful defaulter or fraudulent borrower as defined in Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Day	All days on which commercial banks in Mumbai, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/Issue Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Maharashtra, India are open for business and the time period between the Bid/Issue Closing Date and 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 in India in accordance with circulars issued by SEBI, including UPI Circulars.

**Technical / Industry related terms**

<b>Term</b>	<b>Description</b>
AE	Advanced Economies
CAGR	Compound Annual Growth Rate
COO	Chief Operating Officer
CAPEXIL	Chemicals and Allied Products Export Promotion Council
CPI	Consumer Price Index
CSR	Corporate Social Responsibility
CY	Current Year
DG set	Diesel Generator Set
ECB	European Central Bank
FMCG	Fast Moving Consumer Goods
FSC	Forest Stewardship Council
FSSAI	Food Safety and Standards Authority of India
GDP	Gross Domestic Product
GER	Gross Enrolment Ratio
GFCF	Gross Fixed Capital Formation
GNI	Gross National Income
GOI	Government of India
GST	Goods & Services Tax
GVA	Gross value added
Hp	Horse power
IBC	Insolvency and Bankruptcy Code
IBEF	India Brand Equity Foundation
IIP	Indian Institute of Packaging
ISO	International Organization for Standardization
IT	Information Technology
LED	Light Emitting Diode
MoAFW	Ministry of Agriculture and Farmers' Welfare
MOOC	Massive Open Online Course
MSME	Micro Small Medium Enterprises
MT	Metric Tonne
NA	Not Applicable
NILP	New India Literacy Programme
PFCE	private final consumption expenditure
PIAI	Packaging Industry Association of India
PPP	purchasing power parity
RBI	Reserve Bank of India
RTE	Right to Education Act
sq. ft.	Square Feet
sq. m.	Square Meter
SWAYAM	Study Webs of Active Learning for Young Aspiring Minds
US FED	US Federal Reserve System
UV	Ultra Violet
WPI	Wholesale Price Index



## Conventional and General Terms / Abbreviations

Term	Description
₹ / Rs./ Rupees/ INR	Indian Rupees
A.Y./AY	Assessment Year
A/c	Account
AGM	Annual general meeting
AIF(s)	Alternative Investment Funds
AS/Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
Associate	A person who is an associate of the issuer and as defined under the Companies Act, 2013
Authorized Dealers	Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000
Bn/bn	Billion
BSE	BSE Limited
CAGR	Compound Annual Growth Rate, which is computed by dividing the value of an investment at the year-end by its value at the beginning of that period, raise the result to the power of one divided by the period length, and subtract one from the subsequent result: $((\text{End Value}/\text{Start Value})^{(1/\text{Periods})} - 1)$ .
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act, 2013/ Companies Act	Companies Act, 2013, as amended read with rules, regulations, clarifications and modifications thereunder.
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
Consolidated FDI Policy	The extant consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
Copyright Act	Copyright Act, 1957
CY	Calendar year
Depositories Act	The Depositories Act, 1996
Depository	NSDL and CDSL
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry ( <i>formerly Department of Industrial Policy and Promotion</i> ), GoI
DP ID	Depository Participant's Identity Number
EBITDA	Earnings before interest, taxes, depreciation and amortization excluding other income
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EGM	Extra-ordinary general meeting
EPS	Earnings per share
Euro/EUR	Euro, the official single currency of the participating member states of the European Economic and Monetary Union of the Treaty establishing the European Community
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Non-Debt Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019.
Financial Year/Fiscal/fiscal year	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

<b>Term</b>	<b>Description</b>
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GoI / Government	Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
Ind AS	The Indian Accounting Standards referred to in the Companies Act, 2013 and Companies (Indian Accounting Standard) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS 24	Indian Accounting Standard 24 issued by the ICAI
IRDAI	Insurance Regulatory and Development Authority of India
MCA	The Ministry of Corporate Affairs, Government of India
Mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
N.A./ NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NPCI	National Payments Corporation of India
NRI/Non-resident Indian	A person resident outside India, who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or an “Overseas Citizen of India” cardholder within the meaning of Section 7(A) of the Citizenship Act, 1955
NRE accounts	NRI Non-Resident External account
NRI	Non-Resident Indian
NRO accounts	Non-Resident Ordinary Accounts
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
P/E Ratio/ PIE	Price/Earnings Ratio
p.a.	Per annum
PAN	Permanent account number
PAT	Profit after tax
PCB(s)	Pollution Control Board(s)
Provident Fund	Provident fund for employees managed by the Employee’s Provident Fund Organization in India
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoC/ Registrar of Companies	The Registrar of Companies, Maharashtra, Mumbai
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement

<b>Term</b>	<b>Description</b>
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957.
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India established under Section 3 of the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI BTI Regulations	The Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SCORES	Securities and Exchange Board of India Complaints Redress System
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Trademarks Act	The Trademarks Act, 1999
U.S Securities Act	United States Securities Act of 1933, as amended
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 SEBI AIF Regulations, as the case may be

## PRESENTATION OF FINANCIAL INDUSTRY AND MARKET DATA

### Certain Conventions

All references in this Draft Red Herring Prospectus to 'India' 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 GoI, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("IST").

Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus. In this Draft Red Herring Prospectus, our Company has presented numerical information in "lakhs" units. One lakh represents 1,00,000.

### Financial Data

Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year and accordingly, all references to a particular financial year or fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a Fiscal/Fiscal Year are to the year ended on March 31, of that calendar year and references to a year in this Red Herring Prospectus are to a calendar year. Certain other financial information pertaining to our Group Company are derived from their respective audited financial statements.

Unless indicated otherwise or the context requires otherwise, the financial information and financial ratios in this Red Herring Prospectus have been derived from the Restated Financial Information. For further information, see the section titled "*Restated Financial Information*" on page no. 194 of this Draft Red Herring Prospectus.

The Restated Financial Information comprises the restated statement of assets and liabilities as at March 31, 2024, March 31, 2023, March 31, 2022 and the five months period ended August 31, 2024; the restated statement of profit and loss (including other comprehensive income); the restated statement of changes in equity; the restated statement of cash flow for the Financial Year ended March 31, 2024, March 31, 2023, March 31, 2022 and the five months period ended August 31, 2024 and the statement of significant accounting policies and other explanatory information prepared in terms of the requirements of Section 26 of Part I of the Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time and included in the section titled "*Financial Information*" on page no. 194 of this Draft Red Herring Prospectus.

There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to Indian GAAP, IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. For details in connection with risks involving differences between Ind AS, US GAAP and IFRS, see "Risk Factors No. 46 - *Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as IFRS and US GAAP, with which investors may be more familiar*" on page no. 47 of this Draft Red Herring Prospectus. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, Indian accounting policies and practices, the Companies Act 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 Red Herring Prospectus should accordingly be limited.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, discrepancies in any table between the sums of the amounts listed in the table and totals are due to rounding off. Further, any figures sourced from third party industry sources may be rounded off to other than to the second decimal to conform to their respective sources.

Any percentage amounts or ratios (excluding certain operational metrics) relating to the financial information of our Company, as set forth in the sections titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on page nos. 27, 135 and 235, respectively, and elsewhere in this Draft Red Herring Prospectus, unless otherwise stated or context requires otherwise, have been derived from Restated Financial Information, as applicable.

## Currency and Units of Presentation

All references to:

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

All references to the word “Lakh” or “Lac”, means “One hundred thousand” and the word “Million” means “Ten Lakhs” and the word “Crore” means “Ten Million” and the word “Billion” means “One thousand Million”.

## Exchange Rates

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

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

Currency	Exchange Rate as on August 31, 2024	Exchange Rate as on March 31, 2024	Exchange Rate as on March 31, 2023	Exchange Rate as on March 31, 2022
1 USD	83.10	82.25	81.95	75.10

*Note: If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day has been disclosed. The reference rates are rounded off to two decimal places.*

Source: <https://www.cbic.gov.in>

## Definitions

For definitions, please refer the chapter titled “*Definitions and Abbreviations*” beginning on page no. 1 of this Draft Red Herring Prospectus. In the section titled “*Main Provisions of the Articles of Association*” beginning on page no. 316 of this Draft Red Herring Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

## Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from the report titled “*Printing & Packaging Industry Report*” dated December 20, 2024, prepared by Infomerics (“*Infomerics Report*”), which has been prepared exclusively for the purpose of understanding the industry in connection with the Issue and commissioned and paid for by our Company, pursuant to a letter of authorization dated December 20, 2024. The Infomerics Report is available on the website of our Company at the following web-link: <https://saffronindia.net/pdf/Printing-Packaging-Industry-Report.pdf>. Infomerics is an independent agency which has no relationship with our Company, our Promoters, any of our Directors, Key Managerial Personnel, Senior Management Personnel, or the Book Running Lead Managers.

For details of risks in relation to Infomerics Report, see “*Risk Factor No. 43 - This Draft Red Herring Prospectus contains information from industry sources including the industry report commissioned from Infomerics Analytics & Research Private Limited. Prospective investors are advised not to place undue reliance on such information*” on page no. 46 of this Draft Red Herring Prospectus.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but accuracy, completeness relevance of

such information shall be subject to the disclaimers, context and underlying assumptions of such sources. The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful and depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business and methodologies, and assumptions may vary widely among different market and industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors No. 43 - This Draft Red Herring Prospectus contains information from industry sources including the industry report commissioned from Infomeric Analytics & Research Private Limited. Prospective investors are advised not to place undue reliance on such information*" on page no. 46 of this Draft Red Herring Prospectus. Accordingly, no investment decision should be solely made on the basis of such information.

## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as “forward-looking statements”. These forward-looking statements include statements which can generally be identified by words or phrases such as “aim”, “anticipate”, “are likely”, “believe”, “continue”, “can”, “could”, “expect”, “estimate”, “intend”, “may”, “likely”, “objective”, “plan”, “propose”, “will continue”, “seek to”, “will achieve”, “will likely”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue, and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Draft Red Herring Prospectus that are not historical facts. However, these are not the exclusive means of identifying forward-looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties, and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries we cater and our ability to respond to them, our ability to successfully implement our strategies, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally, which have an impact on our 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, changes in competition in our industry and incidence of any natural calamities and/or acts of violence.

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

1. Changes in laws and regulations relating to the sectors/areas in which we operate;
2. Our ability to successfully implement our growth strategy and expansion plans;
3. Our ability to meet our further capital expenditure requirements;
4. Fluctuations in operating costs;
5. Our ability to attract and retain personnel;
6. Conflict of Interest with affiliated companies, the promoter group and other related parties;
7. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
8. Changes in government policies and regulatory actions that apply to or affect our business;
9. Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
10. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
11. The occurrence of natural disasters or calamities;
12. Our inability to maintain or enhance our brand recognition;
13. Inability to adequately protect our trademarks;
14. Changes in consumer demand;
15. Other factors beyond our control;
16. Our ability to manage risks that arise from these factors; and
17. Failure to successfully upgrade our products and service portfolio, from time to time

For further discussions of factors that could cause our actual results to differ, please refer the section titled “*Risk Factors*” and chapter titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 27, 135, and 235 of this Draft Red Herring Prospectus, respectively. By their nature, certain market risk disclosures are only estimating 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.

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

Forward-looking statements reflect the current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Syndicate Members 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, 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 Equity Shares pursuant to the Issue.



## SECTION II - SUMMARY OF OFFER DOCUMENT

The following is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is neither exhaustive, nor purports to contain a summary of all the disclosures in this Draft Red Herring Prospectus or the Red Herring Prospectus or the Prospectus, when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Industry Overview”, “Our Business”, “Our Promoters and Promoter Group”, “Restated Financial Information”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Outstanding Litigation and Material Developments”, “Issue Procedure” and “Main Provisions of the Articles of Association” on page nos. 27, 54, 70, 84, 110, 135, 186, 194, 252, 289 and 316, respectively.

### Summary of our Business

We are manufacturer and exporter of Printed Paper Stationery and Back-to-School Paper Stationery, serving clients domestically as well as outside India. We specialize in highly customized mass-produced Back-to-School Paper Stationery and Printed Paper Stationery products with various finishing, embellishments, and binding options. Our Company also provides commercial printing services to various customers including corporate clients, banks, government department/ organizations, trusts, etc. We have over a one and a half decade of experience in printed paper stationery products and a complete in-house production facility, where we also manufacture a wide range of paper stationery products for banks, corporates/ trusts and schools.

For more details, please refer chapter titled “Our Business” beginning on page no. 135 of this Draft Red Herring Prospectus.

### Summary of our Industry

Paper stationery market in India comprises of notebooks and papers. As of FY 23, the Indian domestic paper stationery market is INR 16,200 crore by value and is expected to grow at a CAGR of ~12% till FY 28 to reach a market value of Rs. 28,700 crore. In FY 23, notebooks formed the major share within the paper stationery market, constituting ~65% (Rs. 10,500 crore) by value and papers constituted ~35% (Rs. 5,700 crore) by value. In terms of volume, market size of notebooks is ~Rs. 350 crore as of FY 23.

For more details, please refer chapter titled “Industry Overview” beginning on page no. 110 of this Draft Red Herring Prospectus.

### Our Promoters

The Promoters of our Company are Sweta Agarwal, Harshiel Agarwal and Abbas Presswala.

### Size of Issue

The following table summarizes the details of the Issue. For further details, see “The Issue” and “Issue Structure” beginning on page nos. 54 and 284, respectively of this Draft Red Herring Prospectus.

<b>Issue of Equity Shares</b>	Up to 54,00,000* Equity Shares of face value of ₹ 10/- each fully paid for cash at a price of ₹ [•] per Equity Share, aggregating to ₹ [•] Lakhs
<b>Of which</b>	
<b>Market Maker Portion</b>	Up to [•] Equity Shares of face value of ₹ 10/- each fully paid for cash at a price of ₹ [•] per Equity Share, aggregating to ₹ [•] Lakhs
<b>Net Issue to Public</b>	Up to [•] Equity Shares of face value of ₹ 10/- each fully paid for cash at a price of ₹ [•] per Equity Share, aggregating to ₹ [•] Lakhs

\*The Issue has been authorized by our Board pursuant to resolutions passed at its meetings held on December 14, 2024 and by our Shareholders pursuant to a special resolution passed at the Extra Ordinary General Meeting dated December 18, 2024 called at shorter notice.

The Issue and Net Issue shall constitute [•]% and [•]% of the post-Issue paid-up Equity Share capital of our Company.

## Objects of the Issue

Our Company intends to utilize the Net Proceeds for the following objects:

(₹ in Lakhs)

Sr. No.	Particulars	Estimated Amount <sup>(1)</sup>
1.	Proposing to part finance the cost of establishment of new manufacturing facility including Capital Expenditure	[•]
2.	Repayment/ prepayment, in full or part, of certain borrowings availed by our Company	530.00
3.	Enhancing Working Capital Requirement	[•]
4.	General Corporate Purpose <sup>(2)</sup>	[•]
<b>Total</b>		[•]

<sup>(1)</sup> To be determined upon finalization of the Issue Price and updated in the Red Herring Prospectus prior to filing with the RoC.

<sup>(2)</sup> The amount to be utilized for general corporate will not exceed 15% of the Gross Proceeds of the Issue or Rs. 10 Crores, whichever is lower.

For further details, please refer to chapter titled “Objects of the Issue” beginning on page no. 84 of this Draft Red Herring Prospectus.

## Pre-Issue Shareholding of our Promoters and Promoter Group as a percentage of the paid-up share capital of the Company

Set forth is the Pre-Issue and Post-Issue shareholding of our Promoters and Promoter group as a percentage of the paid-up share capital of the Company:

Sr. No.	Category	No. of Shares held	% of Pre-Issue Equity Shares	% of Post- Issue Equity Shares
	<b>Promoter</b>			
1.	Sweta Agarwal	69,03,180	52.08%	[•]
2.	Harshiel Agarwal	35,14,194	26.51%	[•]
3.	Abbas Presswala	13,42,494	10.13%	[•]
	<b>Promoter Group</b>			
4.	Samar Agarwal	45,000	0.34%	[•]
5.	Piyush Rajgaria	45,000	0.34%	[•]
<b>Total</b>		<b>1,18,49,868</b>	<b>89.41%</b>	[•]

## Summary of Restated Financial Statements

(₹ in lakhs other than share data)

Particulars	For the period ended August 31, 2024	For the year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Share Capital	1,234.49	1,234.49	115.75	115.75
Net Worth <sup>(1)</sup>	2,655.40	1,769.97	1,085.82	1,089.62
Total Revenue <sup>(2)</sup>	9,651.60	19,090.15	13,257.33	12,038.20
Profit after Tax	576.43	581.30	(1.66)	79.89
Earnings per Share (Basic & Diluted) (₹) <sup>(3)</sup>	4.67	4.71	(0.02)	0.77
Net Asset Value per Share (₹) <sup>(4)</sup>	21.51	14.34	93.81	94.14
Total Borrowings <sup>(5)</sup>	11,254.78	9,013.89	5,587.84	4,143.16

<sup>(1)</sup> Net Worth is sum of Restated Equity Share Capital (including share application money) and Restated Reserves & Surplus

<sup>(2)</sup> Total Revenue is sum of Restated Revenue from Operations and Restated Other Income

<sup>(3)</sup> Earnings per Share is derived by dividing Restated Profit after Tax by Restated number of Equity Shares outstanding

<sup>(4)</sup> Net Asset Value per Share is derived by dividing Restated Net Worth by Restated number of Equity Shares post considering bonus with retrospective effect

<sup>(5)</sup> Total Borrowings is sum of Restated Long-Term Borrowings and Restated Short-Term Borrowings

Notes:

1. Shareholders pursuant to special resolution dated March 30, 2024, have approved the issuance of 1,09,73,216 Bonus Equity Shares in the ratio of 8:1 (Eight Equity Shares for every one existing fully paid-up Equity Share).
2. Shareholders pursuant to special resolution dated August 9, 2024, have approved the Further allotment of 9,09,083 fully paid-up Equity Share.

### Qualifications of Auditors

There are no qualifications included by the Statutory Auditors in their audit reports and hence no effect is required to be given in the Restated Financial Information.

### Summary of Outstanding Litigations & Material Developments

A summary of pending legal proceedings and other material litigations involving our Company, our Promoters, our Directors and our Group Companies as on the date of this Draft Red Herring Prospectus is provided below:

Name of the Person/ 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	-	-	-	-	-	-
Against the Company	-	-	-	-	-	-
<b>Promoters</b>						
By the Promoters	-	-	-	-	-	-
Against the Promoters	-	-	-	-	-	-
<b>Directors</b>						
By the Directors	-	-	-	-	-	-
Against the Directors	-	-	-	-	-	-
<b>Subsidiaries</b>						
By the Subsidiaries	NA	NA	NA	NA	NA	NA
Against the Subsidiaries	NA	NA	NA	NA	NA	NA
<b>Group Company</b>						
By the Group Company	-	-	-	-	-	-
Against the Group Company	-	-	-	-	-	-

Brief details of top 5 Criminal Case against our Promoters

Sr. No.	Particulars	Litigations filed by	Current Status	Amount involved (₹ in lakhs)
1.	NA	NA	NA	NA

For further details, please refer chapter titled “*Outstanding Litigations and Material Developments*” beginning on page no. 252 of this Draft Red Herring Prospectus.

### **Risk Factors**

For details relating to risk factors, please refer section titled “*Risk Factors*” beginning on page no. 27 of this Draft Red Herring Prospectus.

### **Summary of Contingent Liabilities of our Company**

For details, please refer to Section titled “*Restated Financial Statements*” beginning on page no. 194 of this Draft Red Herring Prospectus.

### **Summary of Related Party Transactions**

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

#### **i. List of related parties as per the requirements of AS 18 - Related Party Disclosures**

##### **Directors, SMP & KMP**

Sweta Agarwal  
Harshiel Agarwal  
Abbas Presswala  
Amisha Agarwal  
Rajesh Agarwal  
Mahavir Hingar  
Narayanan Iyer  
Vipul Desai  
Monika Kankani

##### **Related Entity**

Shyam Udyog  
Seagate Speciality Products Private Limited

**Note: Related party relationship is as identified by the Company and relied upon by the Auditors.**

#### **ii. Transactions carried out with Related Party**

*(All amounts are in Indian Rupees Lakhs)*

<b>Nature of transaction</b>	<b>Name of related party</b>	<b>As at 31<sup>st</sup> August 2024</b>	<b>As at 31<sup>st</sup> March 2024</b>	<b>As at 31<sup>st</sup> March 2023</b>	<b>As at 31<sup>st</sup> March 2022</b>
Director's Remuneration	Amisha Agarwal	7.50	13.20	-	-
Salary	Rajesh Agarwal	3.00	6.00	-	-
Salary	Puspa Agarwal	-	9.00	-	-
Salary	Vikash Agarwal	-	3.00	-	-
Salary	Harshiel Agarwal	4.00	-	-	-
Director's Remuneration	Sweta Agarwal	10.00	16.20	-	-
Purchases	Shyam Udyog	395.04	5,222.94	4,077.20	1,531.05
Loan Repayment	Amisha Agarwal	8.35	-	-	-
Loan Repayment	Puspa Agarwal	0.60	-	-	-
Loan Given	Rajesh Agarwal	3.83	-	-	-
Loan Repayment	Seagate Speciality Products Pvt Ltd	15.50	-	-	-
Loan Given	Sweta Agarwal	3.31	-	-	-
Loan Given	Rajesh Agarwal (HUF)	7.25	-	-	-
Loan Given	Harshiel Agarwal	2.40	-	-	-

Nature of transaction	Name of related party	As at 31 <sup>st</sup> August 2024	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Salary	Abbas Presswala	15.00	-	-	-
Salary	Monika Kankani	3.50	-	-	-
Salary	Vipul R Desai	2.50	-	-	-

**iii. Terms and conditions of transactions with related parties**

- a. The sales to and purchases from related parties are made on terms equivalent to those that prevail in an arm's length transaction.
- b. Outstanding balances at the period / year-end are unsecured and interest free.

**Notes:**

- i. Related parties has been identified by the management of the company and relied upon by the auditors
- ii. Transaction for the period are excluding indirect taxes, if any. Outstanding balances are including indirect taxes wherever applicable.
- iii. Remuneration excludes provision for employee benefits as separate actuarial valuation for directors and key management personnel is not available.

Related party transactions are excluding the transactions in the nature of reimbursement not being in the nature of outflow of economic resources to the related party.

For details, please refer to chapter titled “*Restated Financial Statements*” beginning on page no. 194 of this Draft Red Herring Prospectus.

**Financing Arrangements**

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

**Weighted Average Price of Equity Shares Acquired by our Promoters**

The weighted average cost of acquisition of Equity Shares by our Promoters in the last one (1) year preceding the date of this Draft Red Herring Prospectus set forth in the table below:

Sr. No.	Name of the Promoters	No. of Equity Shares held	Average cost of Acquisition (in ₹)*
1.	Sweta Agarwal	62,89,180	0.00
2.	Harshiel Agarwal	32,93,394	1.58
3.	Abbas Presswala	13,42,494	5.56

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

*\*As certified by M/s. SKVM and Company, Chartered Accountants, by way of their certificate dated February 6, 2025.*

**Average Cost of Acquisition of Promoters**

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

Sr. No.	Name of the Promoters	No. of Equity Shares held	Average cost of Acquisition (in ₹)*
1.	Sweta Agarwal	69,03,180	0.89
2.	Harshiel Agarwal	35,14,194	1.48
3.	Abbas Presswala	13,42,494	5.56

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. SKVM and Company, Chartered Accountants, by way of their certificate dated February 6, 2025.*

#### **Details of Pre-IPO Placement**

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

#### **Issue of Equity Shares for Consideration Other than Cash in the last one (1) Year**

Except for the Bonus Issue of 1,09,73,216 Equity Shares, our Company has not issued Equity Shares for consideration other than cash in the one (1) year preceding the date of this Draft Red Herring Prospectus. For details, please refer to chapter titled “*Capital Structure*” beginning on page no. 70 of this Draft Red Herring Prospectus.

#### **Split / Consolidation of Equity Shares in the last one year**

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

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

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

## SECTION III – RISK FACTORS

*An investment in Equity Shares involves a high degree of financial risk. Investors should carefully consider all information in this Draft Red Herring Prospectus, including the risks described below, before making an investment in our Equity Shares. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could suffer, the price of the Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. Investors should consult their tax, financial and legal advisors about particular consequences to them of an investment in the Issue. The risk factors set forth below do not purport 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. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, such financial impact cannot be disclosed in such risk factors. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Red Herring Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment.*

*This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. See chapter titled “Forward Looking Statements” beginning on page no. 19 of this Draft Red Herring Prospectus.*

*Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our ‘Restated Financial Information’ included in this Draft Red Herring Prospectus beginning on page no. .*

*Unless otherwise indicated, industry and market data used in this section have been obtained or derived from the report titled “Printing & Packaging Industry Report” dated December 20, 2024 (the “Infomerics Report”) prepared and issued by Infomerics Analytics and Research Private Limited, appointed by our Company pursuant to a mandate dated December 20, 2024 and such report has been commissioned and paid for by our Company exclusively in relation to the Issue. A copy of the Infomerics Report is available on the website of our Company at <https://saffronindia.net/pdf/Printing-Packaging-Industry-Report.pdf>. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Infomerics Report and included herein with respect to any particular year refers to such information for the relevant financial year. For further details and risks in relation to the Infomerics Report, see “Presentation of Financial, Industry and Market Data” and “Risk Factor No. 43 - This Draft Red Herring Prospectus contains information from industry sources including the industry report commissioned from Infomerics Analytics and Research Private Limited. Prospective investors are advised not to place undue reliance on such information.” on page nos. 16 and 46 respectively, of this Draft Red Herring Prospectus.*

### INTERNAL RISK FACTORS

#### Risks relating to our business and operations

- 1. Certain members of our promoter group were previously associated with Rupana Paper Mills Ltd. (hereinafter referred to as "RPML"), which was declared a willful defaulter in 2024. Although they disassociated from RPML in 2012 through a Family Settlement Agreement, legal proceedings have still impleaded them for defaults occurring post 2012, despite their lack of involvement or responsibility in RPML's management or financial affairs during that period.***

Rajesh Agarwal, Suresh Agarwal, and Pushpa Agarwal, who are close relatives of our promoters Sweta Agarwal and Harshiel Agarwal, were associated with RPML since its incorporation on May 25, 2004. RPML, which operated from New Delhi, was promoted by Murari Lal Agarwal, the brother of Suresh Agarwal. As per family traditions, Suresh Agarwal, Pushpa Agarwal, and Rajesh Agarwal co-promoted RPML with minority stakes. At the time of incorporation, Rajesh Agarwal was inducted as a Whole-time Director, and Suresh Agarwal as a Director, while the overall business operations were managed by Murari Lal Agarwal.

After their dissociation from RPML, Suresh Agarwal and Pushpa Agarwal who have been living in Bokaro, have been

engaged in running a school and managing other businesses, while Rajesh Agarwal permanently relocated to Mumbai in 2011, subsequently becoming involved with Saffron Speciality Papers Pvt. Ltd. (formerly known as Saffron Speciality Papers Private Limited).

Punjab National Bank (hereinafter referred to as "PNB") initially sanctioned term loans and working capital facilities to RPML in December 2004, securing collateral in the form of immovable properties owned jointly or solely by Suresh Agarwal and Pushpa Agarwal. The personal guarantees of Rajesh Agarwal, Suresh Agarwal, and Pushpa Agarwal were also obtained for these facilities. Subsequently, Indian Overseas Bank (hereinafter referred to as "IOB") joined under a consortium arrangement with PNB as the lead bank. RPML defaulted in 2014, and its loan accounts were classified as Non-Performing Assets (hereinafter referred to as "NPA") in March 2015. As per available Debt Recovery Tribunal (hereinafter referred to as "DRT") records, PNB, through its ARMB Branch, Chandigarh, filed OA No. 151/2016 for the recovery of ₹10,009.48 lakhs. According to CIBIL records, PNB declared RPML a willful defaulter on June 30, 2024. Murari Lal Agarwal, the promoter and director of RPML, was also declared a willful defaulter by PNB.

None of our promoter group members have been declared willful defaulters in respect of RPML. They have been engaged in managing their respective business activities, including our company, Saffron Speciality Papers Ltd., without any objection from regulatory authorities or financial institutions since 2011. Notably, Rajesh Agarwal, a member of our promoter group, is a personal guarantor for credit facilities availed by our company from HDFC Bank. Our promoter group members were neither involved in nor responsible for RPML's management or operations after 2011, as they were engaged in their own businesses and settled in distant locations (Bokaro/Mumbai). They informally disassociated from RPML in 2011 and ceased signing any documents related to its management or operations thereafter. Their exit was formalized through a Family Settlement Agreement dated August 3, 2012, wherein they relinquished their minority shareholding and any managerial role in RPML. Following this settlement, Murari Lal Agarwal and his immediate family assumed full control over RPML's management and operations.

There has been no business, financial, or other dealings between our company or our promoters with RPML at any time. Since 2011, Suresh Agarwal, Rajesh Agarwal, and Pushpa Agarwal have had no association or transactions of any nature with RPML.

Key Provisions of the Family Settlement Agreement:

- **Release of Guarantees:** The Promoters of RPML were obligated to secure the release of personal guarantees provided by Suresh Agarwal, Pushpa Agarwal, and Rajesh Agarwal from RPML's banks (Punjab National Bank, Large Corporate Branch – Chandigarh, and Indian Overseas Bank, Sector 9, Panchkula) within one year.
- **Liabilities Assumption:** All existing and future liabilities of RPML were to be borne exclusively by its Promoters.
- **Directorship Removal:** The directorships of Suresh Agarwal and Rajesh Agarwal in RPML were to be revoked and removed from MCA records within six months.
- **Licensing Liabilities:** Any liabilities arising under licenses (e.g., advanced licenses, EPCG licenses) obtained under the personal guarantees of Suresh Agarwal and Rajesh Agarwal were to be borne by the Promoters of RPML.
- **Name Removal from Records:** The names of Suresh Agarwal and Rajesh Agarwal were to be removed from statutory records, including but not limited to the Pollution Control Board, Sales Tax Department, Excise Department, Himachal Pradesh State Electricity Board, Factory Act, Labour Act, and Fire Act, within six months.

In compliance with the Family Settlement Agreement, our promoter group exited the shareholding and management of RPML, and its remaining Promoters have been solely responsible for its operations since then. They were also obligated to inform stakeholders about this disassociation and ensure the removal of our promoter group members' names from bank accounts, statutory records, and personal guarantees.

However, as the remaining Promoters of RPML failed to fulfill these obligations, PNB initiated legal proceedings before the DRT against all the erstwhile RPML promoters, directors, and personal guarantors, including our promoter group members, for defaults occurring from 2014 onwards. Our promoter group members have also been impleaded in these proceedings despite their formal disassociation since August 3, 2012 under the settlement agreement. They bear no responsibility for RPML's defaults or any wrongdoing post August 3, 2012. Further, PNB declared RPML and Murari Lal Agarwal, a Promoter-Director of RPML, as wilful defaulters on June 30, 2024.



**2. Appearance of a promoter group member as a wilful defaulter on Consumer CIBIL search may adversely impact our reputation and business.**

One of the members of our promoter group, Suresh Agarwal, has been reported as a wilful defaulter in the Consumer CIBIL Search (<https://www.cibil.com/>) in the capacity of his involvement as a Guarantor in the accounts reported. However, his name does not appear as willful defaulter on any other official databases, including the CIBIL Defaulter List and CIBIL Wilful Defaulter List in CIBIL Suit Filed Database (<https://suit.cibil.com/>) and Watchout Investor ([www.watchoutinvestors.com](http://www.watchoutinvestors.com)). While this discrepancy may be due to data inconsistencies or administrative errors or may be pertaining to his past involvement with Rupana Paper Mills Ltd. (as explained in detail in Risk Factor at sl. no. 1 above), such an entry could raise concerns among investors, financial institutions, and other stakeholders regarding the financial credibility of our promoter group.

Though any negative perception arising from this listing may affect our ability to maintain investor confidence or conduct business transactions, however, we believe this does not affect our operational capabilities and will not have a material impact on our future business prospects as Suresh Agarwal is neither a promoter nor involved in the operations of the Company. Moreover, Suresh Agarwal has been engaged in running a school and managing other businesses in Bokaro wherein he has been extended credit facilities from time to time by HDFC Bank and other banks.

**3. The loss of any of our key customers or significant reduction in production and sales of, or demand for our production from our significant customers may adversely affect our business, results of operations and financial condition.**

We generate a significant portion of our revenue from, and are therefore dependent on, certain key customers for a substantial portion of our business. Set out in the table below is the contribution of our largest and top 10 customers to our total revenue in Financial Year 2024 and Financial Year 2023:

(Rs. In lakhs)

Category	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Revenue contribution	% of total revenue	Revenue contribution	% of total revenue
Largest customer	1506.77	6.94%	3964.66	26.57%
Top 10 customers	9071.33	41.79%	8130.82	54.48%

Our Back-to-School Paper Stationery segment consist of domestic as well as export sales wherein bulk orders are placed by the domestic corporates and international authorized dealers and we do not have firm commitment long-term supply agreements with these customers and instead rely on purchase orders and forecasts/estimate to govern the volume and other factors of our sales of products in this segment. We do not typically have exclusivity arrangements with these customers. Consequently, there is no commitment on the part of the customers to continue to place new purchase orders with us and as a result, our sales may fluctuate significantly from period to period due to changes in our customers' preferences.

Our Commercial Printing segment is primarily tender based business model wherein we secure tenders from Banks, government organizations/departments, trust, large corporates etc. Our clientele in this segment are mostly government organizations, banks, trusts, large corporates etc. We get work orders for a specified period and there is no assurance that we may keep securing the bids from these organizations. Accordingly, any failure to retain/secure bids from these customers or to remain suppliers to these customers and/or negotiate and execute contracts on terms that are commercially viable, with these select customers, could adversely affect our business, financial condition and results of operations. In addition, any defaults or delays in payments by a major customer or the insolvency or financial distress by a major customer may have an adverse effect on business, financial condition and results of operations.

**4. We do not have long term contracts or exclusive arrangements with any of our suppliers, and a significant increase in the cost of, or a shortfall in the availability, or deterioration in the quality, of such input materials could have an adverse effect on our business and results of operations.**

We currently do not have long term contracts or exclusive supply arrangements with any of our suppliers from whom we purchase the raw materials. The key raw materials involved in our manufacturing process is paper reels and other consumables like printing ink, sheets/films and glue. We procure paper reels, films and glue domestically and import art paper from Hong Kong also. The price and availability of such input materials is subject to, supply side disruptions and is dependent on several factors beyond our control, including overall economic conditions, taxes and duties, the prevailing Indian regulatory environment, foreign exchange rate, production levels and competition. During the 5 months period ended August 31, 2024 and for the Financial Years ended 2024, 2023 and 2022, purchases made from

our top 5 suppliers were 55.40%, 59.29%, 59.20% and 37.45% respectively, of our total purchases.

The failure of our suppliers to deliver raw material in the necessary quantities or as per the required schedule, of a specified quality/standard/specification, may adversely affect our production processes thereby giving rise to contractual penalties or liabilities, loss of customers and/or an adverse effect on our reputation, which may in turn result in an adverse effect on our business, financial condition and results of operations. Additionally, a material shortage in supply of raw material could result in the failure to meet our sales obligations, which may in turn result in a loss of revenue and cash flows. We do not rely on a single source or supplier domestically for raw materials, instead, have alternative sources. While there have not been any disruptions in supply of our input materials in the last three financial year or otherwise, we cannot assure you that such incidents will not happen in the future. The absence of long-term contracts at fixed prices exposes us to volatility in the prices of products that we require and we may be unable to pass these costs onto our customers, which may reduce our profit margins. We face a risk that one or more of our existing suppliers may discontinue their supplies to us, and any inability on our part to procure products from alternate suppliers in a timely fashion, or on commercially acceptable terms, may adversely affect our business, financial condition and results of operations.

**5. We may face difficulties in executing our strategies including our expansion plans.**

Our growth strategies primarily involves setting up of new manufacturing facility 'Unit 2', streamlining new business segment of Paper Packaging and reforming the Notebook/ Back-to-School Paper Stationery segment.

Our Company to decongest the space constraint in existing manufacturing facility Unit 1 started construction of Unit 2 in February 2024. Subsequently, upon conceiving the idea for third business segment in February 2024 i.e. Paper Packaging, our Company decided to extend the construction of Unit 2. Our Company also recently in December 2024 commenced manufacturing in Paper Packaging for some reputable brands in FMCG, Electricals and Ecommerce segment. Further, our Company has recently launched a sustainable product-line in Notebook/ Back-to-School Paper Stationery segment. Although, we have experienced growth in our Commercial printing segment which started in 2021 and continue to secure bids from government departments, banks, trust, large corporates etc. However, there is no assurance that we may be able to sustain similar rates of growth in new business segment or product-line in future. Further, there is no guarantee that the new segment/product-line will provide fruitful results as anticipated by the management. Similarly, extension of new manufacturing facility Unit 2 and incurring further capex may also not generate anticipated results or revenue. Failure to sustain our growth or executing strategies successfully may have an adverse effect on our business, results of operations and financial condition. We cannot assure you that our future performance or growth strategy will be successful. Any of our current or future horizontal and/or vertical integration related strategies may not be executed as planned on account of factors such as lack of adequate experience, increase in competition from peers, amongst others.

**6. We have been incurring significant capital expenditures to support our business expansion strategy. There can be no assurance that our past or future capital expenditures will result in growth and/or additional profitability for our Company.**

We intend to use a portion of the Net Proceeds towards funding capital expenditure to complete set up of new manufacturing facility. We have already incurred Rs. 600.49 lakhs towards purchase of machinery as per the certificate provided by SKVM and Company, Chartered Accountant dated February 13, 2025, which is financed from internal accruals and proceeds of further allotment dated November 19, 2024. For further details, see "*Objects of the Issue*" on page no. 84 of this Draft Red Herring Prospectus.

Further we have incurred (i) Rs. 1,922.17 lakhs and Rs. 336.57 lakhs, towards part construction of two storey (G+2) new manufacturing facility building and (ii) Rs. 377.84 and Rs. 282.61 towards Plant & Machinery, as on August 31, 2024 and March 31, 2024 respectively, which is financed from internal accruals and term loan financed by HDFC Bank.

Although, we have entered into any definitive contract/ issued orders with the contractor/vendors/suppliers, and work has already progressed to advance implementation stage, we cannot assure that we will be able to undertake such capital expenditure within the cost indicated by such quotations, that there will not be cost escalations and that we would be able to procure such equipment in a timely manner, or that we will complete our expansion works within the estimated timelines, and if not, obtain extensions for the quotations at reasonable cost to us, if at all. There is no assurance that we would be able to source such modification in a timely manner or at commercially acceptable prices, which could adversely affect our expansion plans and consequently, our business and results of operations.

Problems that could adversely affect our expansion plans include increased costs of equipment or manpower, inadequate performance of the equipment and machinery installed, delays in completion, defects in design or construction, the possibility of unanticipated future regulatory restrictions, labour shortages, delays in receiving or non-receipt of governmental, statutory and other regulatory approvals as we apply for them at various stages, incremental pre-operating expenses, unforeseen taxes and duties, interest and finance charges, environment costs and other external factors which may not be within the control of our management. We cannot assure you that such expansion plans will be successfully implemented or will be implemented in accordance with the schedule of its implementation. Any delay or increase in the costs of construction, full commissioning or operation of such plants could have a material adverse effect on our business or results of operations. Further, we cannot assure you that we will be able to increase the capacity utilization of our manufacturing facilities. The capital expenditure incurred in relation to the manufacturing facilities is generally long term in nature and may not generate the expected returns, in short to medium terms, due to market conditions. Significant changes from our expected returns on investment in manufacturing facility could have a material adverse effect on our business, operations, prospects or financial results. Further, our Company proposes to utilize the Net Proceeds for its capital expenditures to support our expansion strategy. Any delay in the Offer may have an adverse effect on our business, operations, cash flows and financial condition.

**7. We intend to utilize a portion of the Net Proceeds for funding our capital expenditure requirements. This includes part financing the proposed Capex, which may be subject to the risk of unanticipated delays in implementation (time overrun), cost overruns and other risks and uncertainties. Further, the objects of the Offer includes orders for plant and machinery which have not yet been placed.**

Our Company has identified a list of new and second-hand machinery, for new business segment i.e. Paper Packaging. We intend to use a portion of the Net Proceeds towards purchase & installation of some machinery in Paper Packaging segment. For details, please see chapter titled “*Objects of the Issue*” on page no. 84 of this Draft Red Herring Prospectus. As of the date of this Draft Red Herring Prospectus, our Company has not placed orders for machinery of value of ₹ 1200.24 lakhs. There can be no assurance that we would be able to procure equipment at the estimated costs. If we engage someone other than the vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor’s estimates and actual costs for the services may differ from the current estimates. Some of the quotations mentioned above do not include cost of freight, insurance, goods and services tax (wherever applicable) and other applicable taxes as these can be determined only at the time of placing of orders. Such additional costs shall be funded from the Net Proceeds allocated towards general corporate purposes or through contingencies, if required. In case of increase in the estimated costs, such additional costs shall be incurred from our internal accruals. Further, any delays in placing orders for such machinery may result in a cost and time overrun, which could have a material adverse effect on the operations and profitability of our Company. Further, we have not commissioned any agency or expert for evaluating the age of the machines, balance estimated life, etc. of the proposed second hand machines. There is no implied performance guarantee for the proposed second-hand machineries, in the event of the machinery not meeting the required performance standards it may result in loss of production or reduction in plant performance or efficiency or quality. This could have a material adverse effect on the operations and profitability of our Company.

**8. We propose to repay or prepay, fully or partially, certain outstanding secured borrowings availed by our Company.**

Our Company, have entered financing arrangements with Banks / Financial Institutions for term loans and working capital facilities. Our Company intends to utilize an estimated amount of ₹ 530.00 lakhs from the Net Proceeds towards repayment or pre-payment of all or a portion of certain high cost outstanding borrowings availed by our Company. For details of these financing arrangements, see “*Financial Indebtedness*” on pages no. 231 of this Draft Red Herring Prospectus.

The Net Proceeds are proposed to be utilized by our Company for the repayment/pre-payment, in part or full, of certain borrowings availed, as follows:

Sr. No.	Particulars	Amount in Lakhs
1.	Outstanding Secured borrowings as on August 31, 2024	3,861.47
2.	Repayment/pre-payment, in part or full, of certain borrowings availed	530.00

For details, see “*Objects of the Offer—Details of the Objects—Repayment/pre-payment, in part or full, of certain borrowings availed by our Company*” on page no. 84 of this Draft Red Herring Prospectus.

Our Quasi Debt/Equity ratio is 1.70 as on August 31, 2024, we believe that such repayment or pre-payment will help

reduce the outstanding indebtedness of our Company. In addition, we believe that this would help reduce our debt servicing costs thereby improving profitability and enable utilization of our internal accruals for further investment in the growth and expansion of its business. However, no assurance can be made that our Company will not require further funding and that such funding will be available at attractive rates, will in fact improve our available funding alternatives. Further, pre-payment of the borrowings by our Company, if any, will be subject to a pre-payment penalty by the respective Banks/ Financial Institutions.

**9. Our Company has a high working capital requirement and if our Company is unable to raise sufficient working capital the operations of our Company will be adversely affected.**

Our Company's business operations are subject to high working capital requirements. For further details refer Chapter 'Our Business' on page no. 135 of this Draft Red Herring Prospectus. Currently, our Company meets its working capital requirements through a mix of promoters' contribution in the form of equity and unsecured loans, internal accruals and working capital facilities from Banks / Financial Institutions. Our Company's net working capital requirements as on August 31, 2024, March 31, 2024 and March 31, 2023 was ₹ 4,256.25 lakhs, ₹ 5,183.29 lakhs and ₹ 2,415.20, respectively. Our Company currently has sanction of working capital facilities aggregating to ₹ 4,500.00 lakhs comprising ₹ 3,500 lakh from HDFC Bank and ₹ 1,000 lakh from Shriram Finance Ltd. Our working capital requirement will further increase with implementation of its growth strategies.

Our Company proposes to utilize Rs. [•] from net proceeds towards working capital requirement. While we believe that our internal accruals, part of issue proceeds and working capital facilities availed from our lenders will be sufficient to address our increased working capital requirements, we cannot assure you that we will continue to generate sufficient internal accruals and / or be able to raise adequate working capital from lenders to address our future needs. Further we cannot assure you that our working capital requirement will not further increase in future. Our inability to meet our present or enhanced working capital requirements will have an adverse impact on our results of operation, business and financial condition. For further details pertaining to our present working capital position, please see chapter titled "Financial Indebtedness" and "Objects of the Issue" on page nos. 231 and 84, respectively of this Draft Red Herring Prospectus.

**10. The objects of the Issue include funding working capital requirements, which is based on certain assumptions and estimates. Any failure in arranging adequate working capital for our operations may adversely affect our business, results of operations, cash flows and financial conditions.**

The Objects of the Issue include funding working capital requirements, which is based on management estimates and certain assumptions pursuant to the resolution of the Board dated January 16, 2024, as set out below:

(₹ in lakhs)

Sr. No.	Particulars	August 31, 2024	FY 2023-24	FY 2022-23	FY 2021-22
		Actual	Actual	Actual	Actual
<b>A.</b>	<b>Current Assets</b>				
	Investments				
	Inventories	3092.20	3443.48	2319.33	2507.52
	Trade receivables	5974.71	4754.72	1836.69	977.80
	Cash/Bank Balance	95.44	123.60	226.52	98.35
	Short term loan & advances & other assets	1067.63	699.21	569.71	455.20
	<b>Total Current assets (A)</b>	<b>10229.98</b>	<b>9021.01</b>	<b>4952.25</b>	<b>4038.94</b>
<b>B.</b>	<b>Current Liabilities</b>				
	Working Capital Limit	4236.82	2502.16	1501.15	1630.76
	Trade Payables	1385.90	1094.72	969.79	737.40
	Other Current Liabilities	44.22	117.19	39.46	11.06
	Provision for Tax	306.79	123.65	26.65	30.02
	<b>Total Current Liabilities (B)</b>	<b>5973.73</b>	<b>3837.72</b>	<b>2537.05</b>	<b>2409.24</b>
	<b>Net Working Capital (A-B)</b>	<b>4256.25</b>	<b>5183.29</b>	<b>2415.20</b>	<b>1629.70</b>

Sr. No.	Particulars	August 31, 2024	FY 2023-24	FY 2022-23	FY 2021-22
		Actual	Actual	Actual	Actual
	<b>Source Of Funding</b>				
	<b>Available Working Capital Limits</b>				
	Borrowings from NBFCs/ Internal Accruals / Unsecured Loans	4256.25	5183.29	2415.20	1629.63
	Private Placement of Equity Shares	-	-	-	-
	Proceeds from Initial Public Offer	-	-	-	-
	<b>Total</b>	<b>4256.25</b>	<b>5183.29</b>	<b>2415.20</b>	<b>1629.63</b>

The details of the working capital requirements of our Company for the Financial Years 2025 and 2026 based on the past trend for existing business operations and source of funding of the same are provided in the table below:

(Rs. In Lakhs)

Sr. No.	Particulars	FY 2024-25	FY 2025-26
		Estimation	Projection
A	<b>Current Assets</b>		
	Investments		
	Inventories	4385.00	5550.00
	Trade receivables	6905.00	9674.00
	Cash/Bank Balance	1096.00	1940.00
	Short term loan & advances	462.00	462.00
	Other Current assets		
	<b>Total Current assets (A)</b>	<b>12848.00</b>	<b>17626.00</b>
B	<b>Current Liabilities</b>		
	Working Capital Limit	4500.00	4500.00
	Trade Payables	1676.00	2266.00
	Other Current Liabilities	--	--
	Provision for Tax	491.00	955.00
	Current Maturities of Term Loan	395.00	460.00
	<b>Total Current Liabilities (B)</b>	<b>7062.00</b>	<b>8181.00</b>
	<b>Net Working Capital (A-B)</b>	<b>5786.00</b>	<b>9445.00</b>
	<b>Source of Funding</b>		
	Internal Accruals / Unsecured Loans	<b>4618.04</b>	<b>7907.00</b>
	Private Placement of Equity Shares	367.96	
	Proceeds from Initial Public Offer	800.00	1538.00
	<b>Total</b>	<b>5786.00</b>	<b>9445.00</b>

For more information in relation to such management estimates and assumptions, please see chapter titled “*Objects of the Issue*” on page no. 84 of this Draft Red Herring Prospectus. Our business requires significant working capital. The actual amount of our future working capital requirements may differ from estimates as a result of, among other factors, unanticipated expenses, fluctuations in raw material prices, economic conditions, growth in revenue, changes in the terms of our financing arrangements, changes in the credit terms of customers and suppliers, inventory fluctuations, additional market developments and new opportunities in the Paper Stationery, Printing & Packaging sector.

Our sources of additional financing, required to meet our increased working capital needs, may include the incurrence of debt in the form of additional working capital limits, the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, which may have a significant effect on our profitability and cash flows. We may also become subject to additional covenants, which could limit our ability to access cash flows from operations and undertake certain types

of transactions. For further details, please see chapter titled “*Financial Indebtedness*” on page no. 231 of this Draft Red Herring Prospectus. If we have to fund our working capital requirements through infusion of equity, it may result in dilution of the shareholding of our existing Shareholders.

In many cases, a significant amount of our working capital is required to finance the purchase of raw materials and manufacturing of products before payment is received from customers. Our working capital requirements may increase if the payment terms in our agreements include reduced advance payments or longer payment schedules. These factors may result in increases in the amount of our receivables and may result in increases in any future short-term borrowings. Continued increases in our working capital requirements may have an adverse effect on our results of operations, cash flows and financial condition.

Further, our Company proposes to utilize the Net Proceeds for its working capital requirements. Any delay in the Offer may have an adverse effect on our business, operations, cash flows and financial condition.

***11. We have entered into transactions with related parties. These or any future related party transactions may potentially involve conflicts of interest and there can be no assurance that we could not have achieved better terms, had such arrangements been entered into with unrelated parties.***

Our Company has engaged in the past, and may engage in the future, in transactions with related parties, including our Promoters, Directors, Promoter Group entity and members. While our Company believes that all such transactions have been conducted on arm’s length basis, there can be no assurance that more favorable terms could not have been achieved, had such transaction been entered into with unrelated parties.

Our Company has incurred RPT in the normal course of business in the form of payments of salaries to our Directors, payment of lease, purchase of raw material from promoter group entity etc. For further details refer ‘*Note on Related Parties Transaction*’ in the ‘*Restated Financial Statements*’ on page no. 194 of this Draft Red Herring Prospectus. Portion of our purchases were from our promoter group entity, M/s. Shyam Udyog, which is a proprietorship concern of Suresh Agarwal. Purchases from M/s. Shyam Udyog constituted 31.31%, 33.39% and 11.79% of purchases consumed for the Financial Years ended 2024, 2023 and 2022 respectively. It is likely that we may enter into related party transactions in the future and such transactions may potentially involve conflicts of interest. We cannot assure you that such transaction, individually or in the aggregate, will always be in the best interests of our Company and/or that it will not have an adverse effect on our business and results of operations.

***12. We are subject to the restrictive covenants of Banks/ NBFCs in respect of the Loan/Credit Limit and other banking facilities availed from them. Further as on the date of the Draft Red Herring Prospectus our Company has not received “No objection” certificate from some of the NBFCs to undertake this Issue. Non receipt of such “No- Objection” certificate could lead to non-compliance of the terms of loan agreements entered into by our Company with said lender(s).***

We have entered into agreements for availing debt facilities from lender(s). Certain covenants in these agreements require us to obtain approval/permission from our lender(s) in certain conditions. In the event of default or the breach of certain covenants, our lender(s) have the option to make the entire outstanding amount payable immediately.

We have received “No-Objection” certificate from secured lenders i.e. HDFC Bank Limited and Shriram Finance Limited with sanction limit of 7,038.00 lakhs. Further, we have made applications to some unsecured NBFC lenders. Some of the NBFCs loan are proposed to be fully repaid out of the net proceeds for the Issue. Non-receipt of such consent and No-Objection certificate could lead to non-compliance of the terms of loan agreements entered into by our Company with the lender(s). Also, if the Lenders delay in granting their NOC, it will delay our proposed Initial public offering which may delay our Schedule of Implementations and consequently impact our functioning to that extent.

***13. Our business is manpower intensive and may be adversely affected by work stoppages, increased wage demands by our employees, or increase in minimum wages***

Our operations are manpower intensive, and we are dependent on our skilled and unskilled manpower for our business operations. The success of our operations depends on the availability of trained and qualified employees along with maintaining good relationship with our workforce. Competition for such personnel is intense and the cost of retaining or replacing such personnel may affect our profitability. The table below sets forth details of our employee benefit expenses and as a percentage of our total expenses for the periods indicated:

(in ₹ lakhs, unless stated otherwise)

Particulars	Period ended August 31, 2024	FY 2024	FY 2023	FY 2022
Employee Benefit Expenses*	399.93	813.28	365.39	222.40
Employee Benefit Expenses as a % of Total Expenses	4.49%	4.44%	2.75%	1.86%

\*Excluding contract wages

As of December 31, 2024, we were supported by 40 employees who are on our payroll and 50 contract labourers. In the past, our Company used to source contract labours directly from the market and did not have formal arrangement with any contractor. Currently, our Company engages independent contractor, with whom we have entered formal agreement, who in turn engage on-site contract labour. Although our Company does not engage these laborers directly, we may be held responsible for any wage payments to be made to such laborers in the event of default by such independent contractors.

As on the date of this Draft Red Herring Prospectus, we have no labour union in our manufacturing facilities located at Aamne, Bhiwandi, Maharashtra. Further, while we have not experienced any strikes or labour unrest at our manufacturing facilities in the past, we cannot assure you that we will not experience work disruptions in the future due to disputes or other problems with our work force. Any such event, at our facilities may adversely affect production process and hence our ability to operate our business and serve our customers, and impair our relationships with key customers, which may adversely impact our business and financial condition. Further, any changes in the existing labour laws of the countries in which we operate may increase our labour cost and may also increase time spent by our management in labour related matters, which could impact our business and results of operations. If labour laws become more stringent or are more strictly enforced, it may become difficult for us to maintain flexible human resource policies, discharge employees or downsize, any of which could have an adverse effect on our business, results of operations, financial condition and cash flows.

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

Our capacity utilization, in Notebook/Back-to-School Paper Stationery segment and Commercial Printing segment is affected by the availability of raw materials, product requirement by customers, industry and market conditions, etc. We intend to use a portion of the Net Proceeds towards to partial set up a new manufacturing facility. For details, please see chapter titled “Objects of the Issue” on page no. 84 of this Draft Red Herring Prospectus. In case of oversupply in the industry or lack of demand we may not be able to utilize our expanded capacity efficiently.

Set out below are the details of the capacity utilization of the installed machinery for the period/financial years indicated:

(in metric tonnes)

Business Segment	August 31, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Installed Capacity	Capacity Utilization	Installed Capacity	Capacity Utilization	Installed Capacity	Installed Capacity	Capacity Utilization	Installed Capacity
Notebook Segment	21300	7990	21300	17040	21300	14910	14910	10140
Commercial Printing Segment	32553	5890	20040	11765	12780	5586	NA	NA

Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term, or an inability to fully realize the benefits of our proposed capacity expansion, could materially and adversely impact our business, growth prospects and future financial performance. We are proposing to expand the production capacity by installing second-hand machinery. There is no implied performance guarantee for the proposed second-hand machineries, in the event of the machinery not meeting the required performance standards it may result in loss of production or reduction in plant performance or efficiency or quality. This could have a material adverse effect on the operations and profitability of our Company. For details, see risk factors “Risk Factor No. 25 - Information relating to the installed capacity, actual production and capacity utilization of our manufacturing facility included in

*this Draft Red Herring Prospectus are based on various assumptions and estimates and future production and capacity may vary” and “Risk Factor No. 26 - If we are unable to accurately forecast demand for our products and plan production schedules in advance, our business, cash flows, financial condition, results of operations, and prospects may be adversely affected” on page nos. 39 and 40, respectively of this Draft Red Herring Prospectus.*

***15. The land parcel of our manufacturing facilities properties, including our registered office and corporate office, are leased. If we are unable to renew existing leases or relocate our operations on commercially reasonable terms, there may be an adverse effect on our business, financial condition and operations.***

The land parcels of our both the manufacturing facilities including registered office are leased from our Promoters, Sweta Rajesh Agarwal and Harshiel Rajesh Agarwal for a period of 10 years. Further, our Corporate Office is taken on lease from our Promoters Sweta Agarwal and Harshiel Agarwal for a period of 5 years. For details of our leasehold properties, please see “*Business – Immovable Properties*” on page no. 135 of this Draft Red Herring Prospectus. The manufacturing facilities building are in our Books. While we have, in the past, renewed lease arrangements for our facilities and registered office from time to time, if we are unable to renew certain or all of these leases on commercially reasonable terms, we may suffer a disruption in our operations or be unable to continue to operate from those locations in the future (and may, to that extent, need to revise our raw material sourcing, product manufacturing and raw material and product inventory schedules and/or incur significant costs to relocate or expand our operations elsewhere in order to continue to honour our commitments to our customers). In the event that any lease agreement is not renewed, we will be required to expend time and financial resources to locate suitable land or premises to set up new manufacturing facilities and offices, which may adversely affect our financial condition.

***16. We are dependent on third party transportation for the delivery of raw materials and finished products and any disruption in their operations or a decrease in the quality of their services could adversely affect our business and results of operations.***

We procure raw materials from domestic and international suppliers, which are brought to our manufacturing facility through sea and land by third party logistics providers. Similarly, our finished products are transported from our manufacturing facility to the customers through sea or land transport. The logistics service providers are, therefore, integral to our Company’s business operations. While we have over the years engaged the services of various logistics service providers for our business operations, we do not have, and we do not propose to enter into, contractual arrangements with such third-party logistics providers. While these third-party logistics service providers have generally, in the past, been reliable, we cannot assure you that they will continue to be available to us, as required. If such third-party logistics service providers discontinue their services for a reasonable length of time and, if we are unable to obtain the services of other service providers, our business operations could be adversely impacted, at times, significantly. A failure to maintain a continuous supply of raw materials could have a material and adverse effect on our business, financial condition and results of operations.

Additionally, if we lose one or more of our logistic providers, we may not be able to obtain terms as favourable as those we receive from the third party logistic providers that we currently use, which in turn would increase our operating costs and thereby adversely affect our operating results. Disruptions in logistic services because of weather-related problems, strikes, inadequacies in the road or rail infrastructure, or other events could impair the ability of the third-party transportation providers to deliver us the raw materials and our finished products to our customers in a timely manner or at all. While there have been no instances of discontinuance in logistics services during the period ended August 31, 2024 and in the last 3 Financial Years, we cannot assure you that we will not face discontinuance of logistic services in the future which could have a material adverse effect on our overall business, result of operations, cash flows and financial condition of our Company.

***17. We engage in foreign currency transactions, which expose us to adverse fluctuations in foreign exchange rates. Fluctuations in the exchange rate between the Rupee and other currencies may adversely affect our operating results.***

Although our reporting currency is Indian Rupee, we transact a portion of our business including purchases and sales of goods and services in USD and are therefore exposed to foreign exchange risk between Indian Rupee and USD. We do not hedge our foreign exchange exposure and are therefore, exposed to exchange rate fluctuations as certain portion of the revenue that we receive and the raw materials that we purchase that are denominated in currencies other than the Indian Rupee. Although we closely follow our exposure to USD, it is not always sufficient to protect us against incurring potential losses if currencies fluctuate significantly. In addition, the policies of the Reserve Bank of India may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our business, financial condition, cash flows and results of operations.



As we have not entered into formal hedging arrangements any sharp exchange rate fluctuations between such currencies and Indian Rupee, could have a material adverse effect on our profitability impacting our liquidity or our ability to efficiently utilize our working capital.

***18. Our failure to perform in accordance with the standards prescribed in work order of our client could result in loss of business or compensation payment and we may be subject to liquidated damages and/or deduction in Commercial Printing segment.***

In Commercial Printing segment we cater to government organizations, banks, trust, large corporates etc. We received work orders with prescribed specifications and deadlines from such clients. Majority of these work orders may require us to comply with the code of conduct and rules & regulations prescribed by our clients, which may increase our compliance costs. Further any disruptions to our businesses as a result of actions outside of our control, could significantly impact the continued performance of our obligations to meet the quality/ prescribed specifications or performance standards set out in our client contracts which may in-turn harm and cause clients to terminate their contracts with us, impair our ability to obtain renewal of our contracts from existing clients and impair our ability to grow our client base, any of which could affect our business, financial condition and results of operations. In the event that we are unable to meet the prescribed obligations or delay in timely execution of the contract, we may also be required to pay liquidated damages to our clients as per the terms set out in our contracts. In certain instances, we may also be required to bear consequential liability like termination or cancellation of the contract in case damage or delay persist beyond certain time period. In the event there is such an instance against us for which we are not insured, our business, financial condition and results of operations may be affected.

***19. We export our products to African countries, Middle East and Central American countries. Any adverse events affecting these countries, directly or indirectly could have an adverse impact on our results from operations.***

We generated ₹ 2,847.88 lakhs, ₹ 8,102.56 lakhs, ₹ 6,677.06 lakhs and ₹ 4,559.95 lakhs export sales in Back-to-School Paper Stationery as on August 31, 2024 and in Financial Years 2024, 2023 and 2022, respectively, which represented 29.41%, 42.52%, 50.74% and 38.06% of our revenue from operations for the respective periods. We export our products primarily Notebook/Back-to-school Paper Stationery predominantly to African countries and also started exports to Middle East and Central American countries etc. These countries impose varying duties on our products. There can be no assurance that the duties imposed by such countries will not increase. Any change or increase in such duties may adversely affect our business, financial condition and results of operations.

Additionally, we will be required to procure certifications in addition to other quality standards which could be necessary for the products to be accepted by customers and the markets in which we export our products. Our inability to secure such certification in a timely manner or at all, or our failure to adhere the prescribed quality standards could result in operational delays or suspensions and/or administrative fines and penalties, which could have a material adverse effect on the overall business, results of operations and financial condition.

***20. We extend significant credit terms to our customers and are subject to counterparty credit risk. Any deterioration in such customers' financial position and their ability to pay or our inability to extend credit in line with market practice may adversely impact our profitability.***

Due to the nature of agreements and arrangements that we enter into, we are subject to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely impact our results of operations. Our operations involve extending credit, ranging typically from 60 to 90 days, to our customers in respect of our sales of products and services. The same is relatively lower in Notebook/Back-to-school Paper Stationery segment than in Commercial Printing segment and the same is also expected to remain higher in Paper Packaging segment due to competition vis-à-vis type of clients. Macroeconomic conditions, such as a potential credit crisis in the global financial system, could also result in financial difficulties for our customers, including limited access to the credit markets. Such conditions could cause our customers to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables.

Further in Notebook/Back-to School Paper Stationery segment, we also export our product and generally discount the export bills with our working capital financing Bank/ Financial Institutions. In case we do not avail bill discounting facility, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. There is no guarantee that we will accurately assess the creditworthiness of our customers.

As of August 31, 2024 and Financial Years 2024, 2023 and 2022, our trade receivables were ₹ 5,974.71 lakhs, ₹

4,754.72 lakhs, ₹ 1,836.69 lakhs and ₹ 977.80 lakhs respectively, which constituted 61.97%, 24.95%, 13.96% and 8.16% of our revenue from operations for the respective periods. Please see chapter titled “*Restated Financial Statements*” for details on out Trade Receivable on page no. 194 of this Draft Red Herring Prospectus. If our customers delay or default in making these payments, our profits margins and cash flows could be adversely affected.

***21. There are certain discrepancies/ errors noticed in the audited financials filed with Income Tax Authority and Registrar of Companies. Any penalty or action taken by any regulatory authorities in future, for non-compliance with provisions of corporate or any other law could impact the financial position of the Company to that extent.***

There were certain discrepancies observed in the audited financials for the Financial Year 2023-24, 2022-23 and 2021-22, which were filed with Income Tax Authority and Registrar of Companies, including but not limited to the details as mentioned below:

- i. Building of Manufacturing Unit 1 not shown in fixed asset in Financial Year 2023-24, 2022-23 and 2021-22 and shown as ‘Non-Current Investments’. Further, depreciation was not charged on the same in Financial Year 2023-24, 2022-23 and 2021-22 in the respective audited financials filed by the Company; due to which Company has recorded loss after tax in Financial Year 2022-23 and its profits of the Company have depleted in other financial years as reflected in the Restated Financial Statement disclosed in this Draft Red Herring Prospectus;
- ii. Securities Premium Account under ‘Reserves & Surplus’ was wrongly debited with Rs. 621.08 lakhs and said amount was credited to Profit & Loss Account under Reserves and Surplus;
- iii. Gratuity provisioning not done in Financial Year 2023-24, 2022-23 and 2021-22;
- iv. Related party transactions not shown in the Audited Financials in the Financial Year 2022-23 and 2021-22

Although the same were identified and rectified in the Restated Financials Statement disclosed in this Draft Red Herring Prospectus, there same are not rectified in the records of with Income Tax Authority and Registrar of Companies. For details refer chapter titled ‘*Restated Financial Statement*’ on page no. 194 of this Draft Red Herring Prospectus. Its detailed impact is reflected in Annexure X ‘Statement of adjustments to Restated Financial Statements’. While no legal proceedings or regulatory action has been initiated against our Company in relation to such incorrect filings as of the date of this Draft Red Herring Prospectus, we cannot assure you that such legal proceedings or regulatory actions will not be initiated against our Company in future and we cannot assure you that we will not be subject to penalties imposed by concerned regulatory authorities in this respect. Therefore, if the authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.

***22. There are certain discrepancies/errors/delay filings noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 2013. Any penalty or action taken by any regulatory authorities in future, for non-compliance with provisions of corporate or any other law could impact the financial position of the Company to that extent.***

Our Company has not complied with certain statutory provisions w.r.t. Companies Act or has made errors in filing done in the past, including but not limited to the details as mentioned below:

- i. Company had made allotment on March 30, 2011 at two different Issue Prices i.e. 2,00,500 shares were issued at Rs. 100 each and 7,32,820 shares were issued at Rs. 10 each on same date, for details see chapter titled Capital Structure. Further, single Form 2 was filed with RoC for allotment of 9,33,320 shares (combining two allotments) at Issue Price of Rs. 10 per share
- ii. Letter of Offer, renunciation letter, etc. are not available in rights issue dated February 26, 2016
- iii. Company was required to open separate bank account for preferential allotments; however, the Company had not complied with this provision in allotments dated June 15, 2015, March 20, 2016 and March 28, 2024
- iv. Company has delayed the allotment of equity shares beyond 60 days of receipt of application money in allotment dated November 19, 2024
- v. Erroneous filing of promoter holding in form MGT 7
- vi. Company was required to file MGT-14 for approval of Related Party Transaction with the Ministry of Corporate Affairs in the past, however Company has not made any such filing except for FY 2024-25
- vii. Form 23AC & Form Sch V for FY 2011-12 and Form AoC 4 & MGT 7 for FY 2013-14 are not available

Further there has been a delay in filing or non-filing of forms on the Ministry of Corporate Affairs portal. Also, Company do not have certain Challan Record in connection with Forms filed with the RoC prior to 2023. While no legal proceedings or regulatory action has been initiated against our Company in relation to such non-compliance or instances of non-filings or incorrect filings or delays in filing statutory forms with the RoC as of the date of this Draft Red Herring Prospectus, we cannot assure you that such legal proceedings or regulatory

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

**23. We have incurred significant indebtedness which exposes us to various risks which may have an adverse effect on our business, results of operations and financial conditions. Conditions/covenants and restrictions imposed on us by the agreements governing our indebtedness could adversely affect our ability to operate our business.**

As of August 31, 2024 our outstanding indebtedness was ₹ 7,264.76 lakhs. Our Company has availed these loans from Banks/Financial Institutions, for several purposes including construction of manufacturing facility, purchase of machinery, to meet working capital requirements etc. For details on the purpose of the loans availed by our Company, please see chapter titled 'Financial Indebtedness' on page no. 231 of this Draft Red Herring Prospectus.

The level of our indebtedness could have several important consequences, including but not limited to the following:

- a significant portion of our cash flow may be used towards repayment of our existing debt, which will reduce the available cash flow to fund our capital expenditures and other general corporate requirements;
- defaults of payment and other obligations under our financing arrangements may result in an event of default, acceleration of our repayment obligations and enforcement of related security interests over our assets;
- Substantial portion of our long term indebtedness is subject to floating rates of interest. Fluctuations in market interest rates may require us to pay higher rates of interest and will also affect the cost of our borrowings; and
- Our ability to obtain additional financing in the future or renegotiate or refinance our existing indebtedness on terms favourable to us may be limited.

Additionally, our financing agreements contain certain conditions and restrictive covenants that require us to obtain consents from respective lenders prior to carrying out specified activities and entering into certain transactions. Our lenders require us to obtain their prior approval for certain actions, which, amongst other things, restrict our ability to undertake various actions including incur additional debt, declare dividends, amend our constitutional documents, change the ownership or control and management of our business. While our Company has received necessary approval from its lenders to undertake this Issue, we cannot assure you that we will be able to obtain approvals to undertake any other aforementioned activities as and when required or comply with such covenants or other covenants in the future.

**24. Any unsecured loans taken by our Company from related parties that may be recalled at any time.**

As of August 31, 2024, our Company have availed unsecured loan(s) from related parties aggregating ₹ 3,156.49 lakhs which may be recalled at any time and our Company may need to borrow monies at higher rates of interest than presently available or utilize our Company's internal accruals, which may have an adverse impact on the profitability and future growth of our Company. Our Company has affirmed to the covenant "non-withdrawal of unsecured loans raised by our Company from Related Parties without their prior approval" stipulated by HDFC Bank as a part of sanction of credit facilities to us. For further details on unsecured loans, please see chapter titled "Financial Indebtedness" on page no. 231 of this Draft Red Herring Prospectus. Failure to repay unsecured loans in a timely manner may have a material adverse effect on our business, cash flows and financial conditions.

Further, we cannot assure you that our Company will not convert all or part of the outstanding unsecured loan advanced to our Company into Equity Shares which may lead to the dilution of investors' shareholdings in our Company. Any such future equity issuances by us to such unsecured loan holders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances might occur may also affect the market price of the Equity Shares.

**25. Information relating to the installed capacity, actual production and capacity utilization of our manufacturing facilities included in this Draft Red Herring Prospectus are based on various assumptions and estimates and future production and capacity may vary.**

Information relating to the installed capacity of our manufacturing facility Unit 1 included in this Draft Red Herring Prospectus are as per the report by R. D. Ashtaputra & Associates, the Chartered Engineer dated December 23, 2024. The actual production and capacity utilization included in this Draft Red Herring Prospectus, are based management's working. Actual production levels and future capacity utilization rates may vary significantly from the estimated

production capacities of our manufacturing facilities and historical capacity utilization rates. Undue reliance should therefore not be placed on our historical installed capacity, actual production and capacity utilization for our existing manufacturing facilities included in this Draft Red Herring Prospectus. See “*Business – installed production capacity and the capacity utilization*” on page no. 135 of this Draft Red Herring Prospectus.

***26. If we are unable to accurately forecast demand for our products and plan production schedules in advance, our business, cash flows, financial condition, results of operations, and prospects may be adversely affected.***

Our inability to forecast the level of customer demand for our products and manufacturing costs as well as our inability to accurately schedule our raw material purchases and production and manage our inventory may adversely affect our business in Notebook/Back-to-School Paper Stationery segment thereby impacting our cash flows from operations. In particular, our inability to accurately forecast demand for products, storage solutions, material handling etc. may hinder our planned growth in these segments.

In Commercial Printing segment, the quantities supplied are typically based on purchase orders and/or work orders provided by the customers based on their own demand and supply situation. Similarly manufacturing in Paper Packaging segment may also be based on work orders or purchase orders. Although our customers provide the work order well in advance, delivery schedules are generally in short intervals with customized product specification. Our customers have high and exacting standards for product quantity and quality as well as delivery schedules and any failure to meet our customers’ expectations could result in penalties like liquidated damages and/or cancellation of orders.

There are also a number of factors other than our performance that are beyond our control and that could cause the loss of a customer. Moreover, as many of our operating expenses are relatively fixed, an unanticipated change in customer demand may adversely affect our liquidity and financial condition. We typically commit to order raw materials and bought-out components from our own suppliers based on orders and management estimation. Cancellation by customers or delay or reduction in their orders or instances where anticipated orders fail to materialize can result in mismatch between our inventories of raw materials and of manufactured products, thereby increasing our costs relating to maintaining our inventory and reduction of our margins, which may adversely affect our profitability and liquidity.

***27. We are subject to inspection from some of our customers in Commercial Printing segment.***

Our customers from Commercial Printing segment generally have the right to inspect and audit our facilities, processes and products after reasonable notice to ensure that our services are meeting their internal standards. Some of our customers routinely inspect and audit our facilities. If we fail to perform our services in accordance with best practices stipulated by our customers and/or our customers are dissatisfied with the quality of our facilities in any manner, our reputation could be harmed and our customers may terminate/modify their contractual arrangements and/ or refuse to renew their contractual arrangements or purchase orders.

***28. Conflicts of Interest with Group Company Seagate Speciality Products Private Limited***

Our Group Company Seagate Speciality Products Private Limited is not currently engaged in a similar line of business as that of the Company. However, it may operate in similar line of business as that of our Company in terms of its MOA. Therefore, there may be instances of competition with our Group Company in future. Our Company and our Group Company will adopt the necessary procedures and practices as permitted by law to address any conflict-of-interest situation as and when they arise. While our Company implements measures to manage such conflicts, there can be no assurance that these measures will be effective or that potential conflicts will not arise. Any actual or perceived conflicts of interest may lead to a loss of business opportunities, competitive disadvantages, or reputational harm, which could adversely impact our business, financial condition, and results of operations.

***29. We rely on the continued operations of our manufacturing facility and any slowdown, shutdown or disruption in our manufacturing facility may be caused by natural and other disasters causing unforeseen damages which may lead to disruptions in our business and operations could have an adverse effect on our business, results of operations, financial condition and cash flows.***

Our manufacturing facility are located in Aamne Village, Bhiwandi, Maharashtra. For further information, see “*Our Business – Manufacturing Facilities*” on page no. 135 of this Draft Red Herring Prospectus. Any disruptions, breakdown or shutdown of our manufacturing facility, due to, inter alia, (i) breakdown or failure of equipment, (ii) disruption in power supply or processes, (iii) performance below expected levels of efficiency, (iv) obsolescence, (v)





labour disputes, (vi) infectious diseases / pandemic, (vii) Social disturbances (Strike, Riot and Civil Commotion), and (viii) political instability, could result in the damage or destruction of a significant portion of our manufacturing abilities, significant delays in the transport of our products and raw materials and/or otherwise adversely affect our business, results of operations, financial condition, cash flows and future prospects.

Our operations are susceptible to local and regional factors, such as accidents, political factors, system failures, economic and weather conditions, natural disasters, and demographic and population changes, the outbreak of infectious diseases such as COVID-19 pandemic and other unforeseen events and circumstances. Pursuant to the lockdown as a result of COVID-19 pandemic, our manufacturing facility remained closed for a brief period of time. Further, disruptions, damage or destruction of those facilities may severely affect our ability to meet our customers' demand and the loss of our customers or a significant reduction in demand from such customers could have an adverse effect on our business, results of operations, financial condition, cash flows and future prospects.

Although we try to minimize the risk from any significant operational problems at our manufacturing facility, there can be no assurance that we will not face such disruptions in the future. Interruptions in production may also increase our costs and reduce our sales and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we may become involved in as a result, which may negatively affect our reputation, profitability, business, financial condition, results of operations, cash flows and prospects.

### **30. Our Company logos or trademarks used by us are not registered with Registrar of Trademark**

Our Company has made an application for registration with the Registrar of Trademark for registration of our current logo. Our Company had made application for registration with the Registrar of Trademark for registration of our earlier logo and other trademarks, in the past. Details of our Logos and trademark registration application is as under:

<b>Sr. No.</b>	<b>Logo / Trade Mark</b>	<b>Class</b>	<b>Application No.</b>	<b>Application by</b>	<b>Date of Application</b>	<b>Authority</b>	<b>Current Status</b>
1.		16	6748325	Saffron Speciality papers Ltd	December 10, 2024	Trade Mark registry Intellectual Property India	Formalities Chk Pass
2.	EcoNama	16	6750116	Saffron Speciality papers Ltd	December 10, 2024	Trade Mark registry Intellectual Property India	Formalities Chk Pass
3.	EcoNama	35	6750118	Saffron Speciality papers Ltd	December 10, 2024	Trade Mark registry Intellectual Property India	Formalities Chk Pass
4.		16	5888826	Saffron Speciality papers Ltd	April 12, 2023	Trade Mark registry Intellectual Property India	Objected - Awaiting Reply to Examination Report
5.		16	5888821	Saffron Speciality papers Ltd	April 12, 2023	Trade Mark registry Intellectual Property India	Objected - Awaiting Reply to Examination Report
6.		16	5888822	Saffron Speciality papers Ltd	April 12, 2023	Trade Mark registry	Objected - Awaiting Reply to

Sr. No.	Logo / Trade Mark	Class	Application No.	Application by	Date of Application	Authority	Current Status
						Intellectual Property India	Examination Report
7.		16	5888823	Saffron Speciality papers Ltd	April 12, 2023	Trade Mark registry Intellectual Property India	Objected - Awaiting Reply to Examination Report
8.		16	5888824	Saffron Speciality papers Ltd	April 12, 2023	Trade Mark registry Intellectual Property India	Objected - Awaiting Reply to Examination Report
9.		16	5888825	Saffron Speciality papers Ltd	April 12, 2023	Trade Mark registry Intellectual Property India	Objected - Awaiting Reply to Examination Report

Earlier we were using the above trademarks (see point nos. 5-9) for our Notebook/ Back-to-School Paper Stationery products as ‘product mark’. However, we currently have stopped its usage as the trademarks were objected. Additionally, our earlier logo’s trademark application was not processed and are objected (see point no. 4), hence we have changed our logo and applied for fresh application for new logo (see point no. 1). There is no assurance that the current logo trademark application will be registered. We may need to change our logo again and thus lose the goodwill created from such logo. Further, the same may involve costly litigations and penal provisions if some legal consequences. We believe that our future growth and competitiveness would depend on our ability to establish and strengthen our brand. We cannot guarantee that we will be able to make a lasting brand image with our clients and other people in the absence of a logo. Although, we believe that our present systems are adequate to protect our confidential information and intellectual property, there can be no assurance that our intellectual property data, trade secrets or proprietary technology will not be copied, infringed or obtained by third parties. Further, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. This may lead to litigations and any such litigations could be time consuming and costly and their outcome cannot be guaranteed. Our Company may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property, which may adversely affect our business, financial condition and results of operations.

***31. We face competition from both domestic as well as international players and our inability to compete effectively may have a material adverse impact on our business and results of operations.***

The Indian Paper Stationery, Printing & Packaging Industry is highly fragmented and unorganized. We face competition as there are no entry barriers. Competition may be based on many factors, including product quality and reliability, design and timeliness, machinery, manufacturing capabilities, price and brand recognition, credit terms etc. We compete with competitors to retain our existing business as well as to acquire new business. Some of our competitors may have certain advantages, including greater financial, technical and/ or marketing resources, etc. Our inability to adequately address competitive pressures from the organized and unorganized players, may have a material adverse effect on our business, operations, prospects or financial results. There can also be no assurance that we will be able to establish a compelling advantage over our competitors.

***32. Our Company had negative cash flows in the past years, details of which are given below. Sustained negative cash flow could impact our growth and business.***

We have experienced negative cash flows in the past which have been set out below as per the restated financial statements:

(Rs. In Lakhs)

Particulars	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Net cash generated from/ (used in) operating activities	2,231.53	(1,136.23)	(391.58)	(1,891.97)
Net cash generated from/ (used in) investing activities	(2,502.04)	(683.82)	(591.41)	(81.37)
Net cash generated from/ (used in) financing activities	242.35	1,717.14	1,111.17	1,861.47

Cash flows of a company is a key indicator to show the extent of cash generated from the operations of a company to meet capital expenditure, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations. For further details, see section titled “*Restated Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages no. 194 and 235 respectively of this Draft Red Herring Prospectus.

**33. Shortage or disruption in power supply at our manufacturing facilities may lead to disruption in operations, higher operating cost and consequent decline in operating margins.**

Adequate and cost-effective supply of electricity is critical to our manufacturing facilities. There may be power cuts from time to time and we have 150 HP DG-set as backup to ensure that there is no stoppage in our production but the same may not be efficient in case of prolonged power cuts, could materially and adversely affect our business, financial condition or results of operations

If the per unit cost of electricity is increased by the state electricity boards our power costs will increase. It may not be possible to pass on any increase in our power costs to our customers, which may adversely affect our profit margins. An interruption in or limited supply of electricity may result in suspension of our manufacturing operations. In addition to the production losses that we would incur during production shutdowns in the absence of supply of electrical power, we would not be able to immediately return to full production volumes following power interruptions, however brief. Any interruption of power, even if short, could give rise to inefficiencies when we resume production.

**34. Our inability to compete with technological advancements in the sector in which we operate, may render our products obsolete thereby impacting our business, operations, growth prospects or financial results.**

We are in general subject to the risk of technological advancement in the sector in which we operate, which includes the current market trends. One such example is shifting from the conventional mode of classroom learning to the new age ‘online learning’. The primary reason behind this shift was the COVID-19 outbreak which resulted in the temporary closure of all educational institutions thereby leading to the global emergence of remote digital learning methodologies. Similarly, reduction in printed stationery like forms, PIN mailers, printed materials with debit/credit cards due to online transactions, generation of Green PIN, etc. by banks in commercial printing segment. While we have a diversified business segment - Commercial Printing segment and have recently diversified to Paper Packaging segment also, still a significant portion of our Gross Product Sales is contributed by our Notebook/Back-to-School Paper Stationery segment. For revenue segmentation please see chapter titled “*Restated Financial Statement*” on page no. 194 of this Draft Red Herring Prospectus. In the event the emergence of online education continues to augment in the future, thereupon posing a threat of digitization of the instructional education environment, we could experience a drastic decline in the Gross Product Sales in our Notebook/ Back-to-School Paper Stationery segment.

To coup with such shift in the technological advancement, we may need to upgrade our technologies, facilities and machinery. The cost of implementing new technologies and upgrading our manufacturing facilities could be significant, which could adversely affect our business and financial condition. Any failure on our part to effectively address such situations, innovate and keep up with technological advancements or to successfully introduce new products and services in these areas, could adversely affect our business, results of operations, financial condition and cash flows.

**35. We have taken personal guarantees from our directors & members of Promoter Group in relation to debt facilities provided to us.**

We have taken guarantees from our directors & members of Promoter Group in relation to our secured debt facilities availed from Banks/Financial Institutions. In an event any of these persons withdraw or terminate its/their guarantees,

the lender for such facilities may ask for alternate guarantees and/or securities, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information, please see the chapter titled “*Financial Indebtedness*” beginning on page no. 231 of this Draft Red Herring Prospectus.

***36. Our Promoters, Directors, Key Managerial Personnel and Senior Management may have interests other than reimbursement of expenses incurred and normal remuneration or benefits in our Company.***

Our Promoters, Directors, Key Managerial Personnel and Senior Management may be interested in our Company, in addition to regular remuneration, sitting fees or benefits and reimbursement of expenses, to the extent of the Equity Shares held by them in our Company, and bonuses, dividend payable or other distributions on such Equity Shares. Our directors may be regarded as interested to the extent of the transactions entered into in the ordinary course of business with the companies in which our directors hold directorship and also in the Equity Shares held by them or by their relatives, if any, or that may be subscribed by or allotted to them or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoter, pursuant to this Issue. Further, our Promoters, are interested in promotion and formation of the Company. Further, our Promoters shall be interested to the extent of the payments made by our Company w.r.t. to the leasehold properties held by them, if any, to these entities.

***37. Any material deviation in the utilization of proceeds of the Issue shall be subject to applicable law.***

The funding requirements and the deployment of the proceeds from this Issue are based on the current business plan and strategy of our Company. Our Company may have to revise this from time to time as a result of variations including changes in estimates and other external factors, which may not be within the control of the management of our Company. This may entail rescheduling, revising or cancelling the planned expenditure and fund requirement and increasing or decreasing the deployment for a particular purpose from its planned expenditure at the discretion of the Board of Directors of our Company, in compliance with applicable law. Accordingly, we may not be able to utilize the proceeds from this Issue in the manner set out in this Draft Red Herring Prospectus in a timely manner or at all. As a consequence of any increased expenditure, the actual deployment of funds may be higher than estimated.

Further, pursuant to Sections 13(8) and 27 of the Companies Act, 2013, any variation in the objects would require a special resolution of the Shareholders in a general meeting and the Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects, in accordance with the SEBI ICDR Regulations.

***38. We require certain approvals or licenses in the ordinary course of business and the failure to renew, obtain or retain them in a timely manner, or at all, may adversely affect our operations.***

We require certain statutory and regulatory permits, licenses and approvals to operate our business. We have obtained the Consent to Establish (vide letter dated December 12, 2024 bearing reference no. 0000224853/CE/2412000938) for our Unit 2; however, we are yet to apply for Consent to Operate. We are yet to apply for change of Company’s name pursuant to Conversion to Public Company in some permits, licenses and approvals, which has been obtained under the Company’s former name including Profession Tax Enrolment Certificate. Further, our Company is yet to apply for GST Registration Certificate for additional place of business for Unit 2.

Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Failure by us to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations.

The approvals required by our Company are subject to numerous conditions and there can be no assurance that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business. For further details, please see “*Government and Other Approvals*” on page no. 256 of this Draft Red Herring Prospectus.



***39. Our Company's operations are subject to varied business risks and our Company's insurance cover may prove inadequate to cover the economic losses of our Company.***

Our Company's operations are subject to various risks and hazards which may adversely affect revenue generation and profitability of our Company. While our Company believes that it has taken adequate safeguards to protect our Company's assets from various risks inherent in our Company's business, including by purchasing and maintaining relevant insurance cover, it is possible that our Company's insurance cover may not provide adequate coverage in certain circumstances. For details of our Insurance cover, please see chapter titled "*Our Business*" on page no. 135 of this Draft Red Herring Prospectus.

While our Company believes that we maintain sufficient insurance cover by virtue of maintaining insurance policies, certain types of losses may be either uninsurable, not economically viable to insure or not offered for insurance. If any uninsured loss occur, our Company could lose our investment in, as well as anticipated profits and cash flows from the asset. In addition, even if any such loss is insured, there may be a significant deductible on any claim for recovery prior to our insurer being obligated to reimburse us for the loss, or the amount of the loss may exceed our coverage for the loss. Any loss that is not covered by insurance, or for which our Company is unable to successfully claim insurance, or which is in excess of the insurance cover could, in addition to damaging our Company's reputation, have an adverse effect on our Company's business, cash flows, financial condition and results of operation.

In addition, our Company's insurance coverage expires from time to time. Our Company will apply for the renewal of our insurance coverage in the normal course of its business, but our Company cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that our Company suffer loss or damage for which it did not obtain or maintain insurance, and which is not covered by insurance or exceeds our Company's insurance coverage or where its insurance claims are rejected, the loss would have to be borne by our Company and its results of operations, cash flows and financial condition may be adversely affected. Further, all our insurance policies are endorsed to lenders to whom the company's assets are charged and any claim is subject to appropriation towards outstanding loans to the respective lenders. In such case we may have to resort to funds for replacement of such assets.

***40. Our failure to keep our technical and commercial knowledge confidential could erode our competitive advantage.***

Our employees possess extensive knowledge about our technical know-how, commercial decisions and business development strategies. Such knowledge is a significant independent asset, which may not be adequately protected by employment agreements with our employees. As a result, we cannot be certain that such knowledge will remain confidential in the long run. Even if all reasonable precautions, whether contractual or otherwise, are taken to protect our confidential knowledge of our business, there is still a danger that certain proprietary knowledge may be leaked, either inadvertently or willfully.

Certain of our employees may leave us and join our competitor. Although we may seek to enforce confidentiality obligation in terms of our staff rules, we cannot guarantee that we will be able to successfully enforce such rules. While no such instances have occurred in the last three Financial Years or in the current Financial Year until the date of this Draft Red Herring Prospectus, in the event that the confidential technical information in respect of our business becomes available to third parties or to the general public, any competitive advantage that we may have over other companies could be harmed. Consequently, any leakage of confidential technical information could have an adverse effect on our business, results of operations, financial condition and future prospects.

***41. Compliance with, and changes in, safety, health and environmental laws and various labour, workplace and related laws and regulations including terms of approvals granted to us, may increase our compliance costs and as such adversely affect our business, results of operations and financial condition.***

Our business is subject to various safety, health, environmental, labour, workplace, and related laws and regulations, along with the terms of approvals granted by regulatory authorities. Compliance with these laws requires us to implement strict operational procedures, maintain workplace safety standards, and adhere to evolving environmental norms. Any failure to comply with these legal requirements may result in penalties, fines, revocation of licenses, or operational disruptions, which could materially impact our business, financial performance, and reputation.

Changes in existing laws, the introduction of new regulations, or stricter enforcement by authorities could significantly increase our compliance costs. For instance, enhanced environmental protection norms may require us

to invest in pollution control mechanisms, upgrade existing facilities, or adopt sustainable manufacturing practices. Similarly, amendments in labour and workplace laws could result in increased employee benefits, mandatory wage hikes, or additional workplace safety measures, leading to higher operational expenses. Furthermore, regulatory bodies frequently conduct audits, inspections, and compliance checks. Any non-compliance identified during such reviews may result in adverse regulatory actions, litigation, or reputational harm. We strive to ensure compliance with all applicable laws and regulations so that the business, operations, and financial is not adversely affected.

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

Our ability to pay dividends in the future will depend on our future earnings, cash flows, financial condition, working capital requirements, capital expenditure, applicable Indian legal restrictions and other factors. Our Company does not have a formal dividend policy. The declaration and payment of dividends, if any, will be recommended by our Board and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act 2013. There can be no assurance that we will pay dividends. Additionally, in the future, we may be restricted by the terms of our financing agreements in making dividend payments unless otherwise agreed with our lenders. See “Dividend Policy” and “Financial Indebtedness” on pages nos. 193 and 231 respectively, of this Draft Red Herring Prospectus.

***43. This Draft Red Herring Prospectus contains information from industry sources including the industry report commissioned from Infomerics Analytics and Research Private Limited. Prospective investors are advised not to place undue reliance on such information.***

This Draft Red Herring Prospectus includes information derived from third party industry sources and from a Report prepared by Infomerics Analytics and Research Pvt Ltd dated December 20, 2024, titled “ Printing and Packaging Industry Report”, pursuant to an engagement with our Company. Neither we, nor the Promoters, nor Directors, nor BRLM, nor any other person connected with the Issue has verified the information in the Report and other information under “Industry Overview” on page no. 110, and we cannot guarantee the accuracy, adequacy or completeness of any such information. Moreover, the industry sources including the Industry Report contains certain industry and market data, based on certain assumptions. Further, the reports use certain methodologies for market sizing and forecasting. There are no standard data gathering methodologies in the markets in which we operate, and methodologies and assumptions vary widely among different industry sources. Such assumptions may change based on various factors.

We cannot assure you that such assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Red Herring Prospectus. Further, the Industry Report or any other industry data or sources are not recommendations to invest in our Company. Prospective investors are advised not to place undue reliance on the Industry Report or extracts thereof as included in this Draft Red Herring Prospectus, when making their investment decisions.

***44. The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.***

Since the Issue size is less than ₹ 10,000 lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company subject to the applicable laws and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

***45. Failure or disruption of our IT systems may adversely affect our business, financial condition, results of operations and prospects.***

We have implemented various Information Technology (‘IT’) systems which covers key areas of our operations, dispatch and accounting. For instance, we are using ‘S Procure’ software, for some of our clients in Commercial printing segment, which encompasses delivery management including order placement, real-time delivery tracking and invoicing management. These systems are potentially vulnerable to damage or interruption from a variety of sources, which could result from (among other causes) cyber-attacks on or failures of such infrastructure or compromises to its physical security, as well as from damaging weather or other acts of nature. A significant or large-scale malfunction or interruption of one or more of our IT systems or automation systems could adversely affect our ability to keep our operations running efficiently and affect product availability, particularly in the country, region or functional area in which the malfunction occurs, and wider or sustained disruption to our business cannot be excluded.

In addition, it is possible that a malfunction of our data system security measures could enable unauthorized persons to access sensitive business data, including information relating to our intellectual property or business strategy or those of our customers. While we have not faced significant disruptions in past, any such malfunction or disruptions in future could cause economic losses for which we could be held liable or cause damage to our reputation. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations. Further, unavailability of, or failure to retain, well trained employees capable of constantly servicing our IT, automation systems may lead to inefficiency or disruption of our operations and thereby adversely affecting our business, financial condition and results of operations.

**46. There are certain discrepancies and non-compliances noticed in some of our financial reporting and/or records relating to filing or returns and deposit of statutory dues with the taxation and other statutory authorities.**

In the past, our Company has at several instances, delayed in filing returns for GST, EPF, ESIC and deposit of such statutory dues, as a result of which, we have been required to pay the late filing fees along with interest on delayed deposit of due taxes and statutory dues. Although the late filing fees levied are small, if we continue this practice, the accumulated amounts of each delay may adversely affect our cash flows. Further no show-cause notice has been issued against our Company till date, in respect of above, in the event of any cognizance being taken by the concerned authorities in respect of above, actions may be taken against our Company and its directors, in which event the financial positions of our Company and our directors may be affected. The delays were inadvertent and irregular in nature. Company has already prepared in-house compliance calendar and hired more experienced professionals to avoid any delays/ non-compliance in future.

**47. Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the Financial Statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Prospectus.**

We have not attempted to quantify the impact of U.S. GAAP or any other system of accounting principles on the financial data, prepared and presented in accordance with Ind AS for the period ended August 31, 2024 and Financial Year 2023-24, Financial Year 2022-23 and Financial Year 2021-22, included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of Indian GAAP, IFRS and U.S. GAAP. Indian GAAP, IFRS and U.S. GAAP differs in significant respects from Ind AS. Accordingly, the degree to which the restated financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS and SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

**Risks Related to the Issue and the Equity Shares**

**48. We have issued Equity Shares during the preceding 12 months at a price which may or may not be below the Issue Price.**

We have issued Equity Shares (other than bonus issues) in the last 12 months at a price which may or may not be lower than the Issue Price, as set out in the table below:

Date of allotment	No. of Equity Shares allotted	Issue Price (per Equity Share) (₹)	Allottees	Nature of Allotment	Whether allottees are part of Promoter Group
March 28, 2024	2,14,166	50	Vipul Ramniklal Desai	Further Issue	No
			Samar Agarwal		Yes
			Neha Agarwal		No
			Piyush Rajgaria		Yes
			Sonam Agarwal		No
			Jagruti Desai		No
			Abbas Presswala		Yes
			Dhruv V Desai		No
			Monika Kankani		No
			Mamta Singh		No
			Ritesh Agarwal		No
November	9,09,083	99	Abdul Rasul Akbarali	Further Issue	No

Date of allotment	No. of Equity Shares allotted	Issue Price (per Equity Share) (₹)	Allottees	Nature of Allotment	Whether allottees are part of Promoter Group
19, 2024			Hamid		
			Abhay Mukesh Gohel		No
			Ambika Agarwal		No
			Anand Shrikant Mehta		No
			Ankit Bharat Shah		No
			Bimal Khandelwal		No
			Dilshad Abdul Hamid		No
			Jackie Abdul Hamid		No
			Naziya Vicky Hamid		No
			Rajesh Jasvantlal Shah		No
			Sanjay Mohan		No
			SB Opportunities Fund I		No
			Sonal Rajesh Shah		No
			Sveltetech Technologies Pvt Ltd		No
			Vimla Pradeep Solanki		No
			Vui Consultancy Pvt Ltd		No
Shilpi Agarwal	No				

The price at which Equity Shares have been issued by our Company in the immediately preceding 12 months is not indicative of the price at which they will be issued in the Issue or traded on the stock exchanges. For further details in relation to such allotment, please see chapter titled “*Capital Structure*” on page no. 70 of this Draft Red Herring Prospectus.

***49. Our Promoters and Promoter Group will continue to retain control over our Company after completion of the Issue, which will allow them to influence the outcome of matters submitted for approval of our Shareholders.***

The aggregate post-Issue shareholding of our Promoters and Promoter Group, post listing of the Equity Shares will be [•]% of the issued, subscribed and paid-up Equity Shares. Consequently, our Promoter and Promoter Group will continue to exercise significant control over us after completion of the Issue, including being able to control the composition of our Board of Directors and determine matters requiring Shareholders’ approval or approval of our Board of Directors. Our Promoter and Promoter Group may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority Shareholders. By exercising their control, our Promoter and Promoter Group could delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving us, discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us even if such actions may be beneficial for the Company. See “*Capital Structure*” on page no. 70 of this Draft Red Herring Prospectus.

***50. Sale of Equity Shares by our Promoters and Promoter Group in future may adversely affect the market price of the Equity Shares.***

After the completion of the Issue, our Promoters and Promoter Group will own a significant percentage of our Company’s issued Equity Shares. Sale of a large number of the Equity Shares by the Promoters could adversely affect the market price of the Equity Shares. Similarly, the perception that any such primary or secondary sale may occur, could adversely affect the market price of the Equity Shares. No assurance may be given that the Promoters will not dispose of, pledge or encumber their Equity Shares in the future.

***51. Any further issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding.***

Our Company may be required to finance our growth through future equity offerings. Any future equity issuances by

our Company, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of the Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that the Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

***52. The Equity Shares have never been publicly traded and the Issue may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price.***

Prior to the Issue, there has been no public market for the Equity Shares and an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, there will be liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares may bear no relationship to the market price of the Equity Shares after the Issue.

The market price of the Equity Shares after the Issue can be volatile as a result of several factors beyond our Company's control, including volatility in the Indian and global securities markets, our results of operations, the performance of our competitors, developments in the Indian and global key precision engineering industry, changing perceptions in the market about investments in this sector in India, investor perceptions of our future performance, adverse media reports about us or our sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalization and deregulation policies, and significant developments in India's fiscal regulations. In addition, the Stock Exchanges may experience significant price and volume fluctuations, which may have a material adverse effect on the market price of the Equity Shares.

General or industry specific market conditions or stock performance or domestic or international macroeconomic and geopolitical factors unrelated to our performance may also affect the price of the Equity Shares. In particular, the stock market as a whole in the past has experienced extreme price and volume fluctuations that have affected the market price of many companies in ways that may have been unrelated to the companies' operating performances. For these reasons, investors should not rely on recent trends to predict future share prices, results of operations or cash flow and financial condition.

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

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

***54. Our Company may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (ASM) and Graded Surveillance Measures (GSM) by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors, once the Equity Shares of our Company are listed.***

The Equity Shares of our Company may be subject to general market conditions which may include significant price and volume fluctuations, once the Equity Shares of our Company are listed. The price of the Equity Shares may fluctuate after the Issue due to several factors such as volatility in the Indian and global securities market, our performance and profitability, or any other political or economic factor. The occurrence of these factors may lead to the surveillance measures stipulated by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework being triggered in relation to the Equity Shares. If the Equity Shares are covered under such surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in

relation to trading of the Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of the Equity Shares or may in general cause disruptions in the development of an active trading market for the Equity Shares.

***55. The determination of the Price Band and Issue Price is based on various factors and assumptions and the Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.***

The determination of the Price Band is based on various factors and assumptions and will be determined by our Company in consultation with the BRLM. Furthermore, the Issue Price of the Equity Shares will be determined by our Company in consultation with the Book Running Lead Manager through the Book Building Process. These will be based on numerous factors, including factors as described under “Basis for the Issue Price” on page no. 99 of this Draft Red Herring Prospectus and may not be indicative of the market price for the Equity Shares after the Issue. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, our financial performance and results post- listing, and other factors beyond our Company’s control. Our Company cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

***56. There is no guarantee that the Equity Shares will be listed on the BSE in a timely manner or at all.***

There is no guarantee that the Equity Shares will be listed on the BSE in a timely manner or at all. In accordance with Indian law, permission for listing and trading of the Equity Shares will not be granted until after certain actions have been completed in relation to this Issue and until Allotment of Equity Shares pursuant to this Issue. In accordance with current regulations and circulars issued by SEBI, the Equity Shares are required to be listed on the BSE within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in the Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares. Further, there can be no assurance that the Equity Shares once listed will continue to remain listed on the Stock Exchanges. Indian laws permit a company to delist its equity shares on compliance with prescribed procedures including the requirement to obtain the approval of its shareholders. Further, certain instances of non-compliance with applicable laws can result in the delisting of the Equity Shares. We cannot assure you, therefore, that the Equity Shares, once listed, will continue to remain listed.

***57. You may not be able to immediately sell any of the Equity Shares you subscribe to in this Issue on BSE.***

The Equity Shares are proposed to be listed on the BSE. Pursuant to Indian laws and regulations, certain actions must be completed before the Equity Shares can be listed and commence trading, including the crediting of Equity Shares in the investor’s demat accounts within the timeline specified under applicable law. Further, in accordance with Indian law, permission for listing and trading of the Equity Shares will not be granted until after certain actions have been completed in relation to this Issue and until Allotment of Equity Shares pursuant to this Issue. The Allotment of Equity Shares in the Issue and the credit of Equity Shares to the investor’s demat account with the relevant depository participant and listing is expected to be completed within the period as may be prescribed under applicable law. Any failure or delay in obtaining the approvals or otherwise commence trading in the Equity Shares would restrict investors’ ability to dispose of their Equity Shares. Our Company cannot assure you that the Equity Shares will be credited to investor’s demat accounts, or that trading in the Equity Shares will commence, within the prescribed time periods or at all which could restrict your ability to dispose of the Equity Shares. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

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

Pursuant to the regulations under the SEBI (Issue of Capital and Disclosure Requirement) Regulation, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While our Company is required to complete Allotment pursuant to the Issue within 3 Working Days from the Bid/Issue Closing Date, events affecting the Bidders’ 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 Bid and Allotment. Our Company may complete the Allotment of the Equity Shares

even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

### ***External Risks***

#### ***59. A slowdown in economic growth in India could adversely affect our Company's business.***

The structure of the Indian economy has undergone considerable changes in the last decade. These include increasing importance of external trade and of external capital flows. Any slowdown in the growth of the Indian economy or manufacturing sector or any future volatility in global process could adversely affect our Company's business, financial condition and results of operations. India's economy could be adversely affected by a general rise in interest rates, fluctuations in currency exchange rates, adverse conditions affecting commodity and electricity prices or various other factors.

Further, conditions outside India, such as slowdowns in the economic growth of other countries, could have an impact on the growth of the Indian economy and government policy may change in response to such conditions. The Indian economy and financial markets are also significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, may have an 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 of investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets, and could have an adverse effect on our Company's business, financial condition and results of operations and the price of the Equity Shares.

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

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

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Therefore, any downturn in the macroeconomic environment in India could adversely affect our business, results of operations, financial condition, cash flows and future prospects. The Indian economy could be adversely affected by various factors, such as the impact of COVID-19 or other pandemics, epidemics, political and regulatory changes, including adverse changes in the Government's liberalization policies, social disturbances, religious or communal tensions, terrorist attacks and other acts of violence or war such as ongoing Ukraine-Russia conflict, natural calamities, volatility in interest rates, volatility in commodity and energy prices, a loss of investor confidence in other emerging market economies and any worldwide financial instability.

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

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

#### ***62. Financial difficulty and other problems in certain financial institutions in India could have a material adverse effect on the business, results of operations, future cash flows and financial condition of our Company.***

Indian financial system may be affected by financial difficulties faced by all or some of the Indian financial institutions whose commercial soundness may be closely related as a result of credit, trading, clearing or other

relationships. This risk, which is sometimes referred to as “systemic risk”, may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and adversely affect the business of our Company.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. The Income Tax Act levies taxes on such long-term capital gains exceeding ₹ 1.25 lakhs arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such equity shares subject to specific conditions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of a securities transaction tax (STT), on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of Equity Shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempted from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

***64. Investors may have difficulty enforcing foreign judgments against our Company or the management of our Company.***

Our Company is incorporated under the laws of India and all the Directors and Key Managerial Personnel of our Company reside in India. Where investors wish to enforce foreign judgments in India, they may face difficulties in enforcing such judgments. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India exercises reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions. In order to be enforceable, a judgment obtained in a jurisdiction which India recognizes as a reciprocating territory must meet certain requirements of the Code of Civil Procedure, 1908, of India (Civil Code). Further, the Civil Code only permits enforcement of monetary decrees not being in the nature of any amounts payable in respect of taxes or, other charges of a like nature or in respect of a fine or other penalty and does not provide for the enforcement of arbitration awards. Judgments or decrees from jurisdictions not recognized as a reciprocating territory by India cannot be enforced or executed in India. Even if a party were to obtain a judgment in such a jurisdiction, it would be required to institute a fresh suit upon the judgment and would not be able to enforce such judgment by proceedings in execution. Further, the party which has obtained such judgment must institute the new proceedings within three years of obtaining the judgment.

As a result, you may be unable to: (i) effect service of process outside of India upon our Company and such other persons or entities; or (ii) enforce in courts outside of India judgments obtained in such courts against our Company and such other persons or entities. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI to repatriate any amount recovered pursuant to the execution of such foreign judgment, and any such amount may be subject to income tax in accordance with applicable laws.

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

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors’ reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. For instance, the economic downturn in the U.S. and several European countries during a part of Fiscals 2008 and 2009 adversely affected market prices in the global securities markets, including India. Following the United Kingdom’s exit from the European Union (Brexit), there still remains significant uncertainty around the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets.



In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. Further, the recent collapse of the Silicon Valley Bank also caused economic downturn. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general.

A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of the Equity Shares.

***66. Under Indian law, foreign investors are subject to investment restrictions that limit our Company's ability to attract foreign investors, which may adversely impact the trading price of the Equity Shares.***

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. In addition, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Our Company cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all. For further details, please see chapter titled "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page no. 314 of this Draft Red Herring Prospectus.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT and the FEMA Rules, any investment, subscription, purchase or sale of equity instruments by entities, investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Our Company cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms, in a timely manner or at all.

***67. Our Company's ability to raise foreign capital may be constrained by Indian law.***

As an Indian company, our Company is subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions could constrain our Company's ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, our Company cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to our Company without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our Company's business growth, financial condition and results of operations.

***68. If security or industry analysts do not publish research, or publish unfavorable or inaccurate research about the business of our Company, the price and trading volume of the Equity Shares may decline.***

The trading market for the Equity Shares may depend, in part, on the research and reports that securities or industry analysts publish about us or our business. Our Company may be unable to sustain coverage by established and / or prominent securities and industry analysts. If either none or only a limited number of securities or industry analysts maintain coverage of our Company, or if these securities or industry analysts are not widely respected within the general investment community, the trading price for the Equity Shares would be negatively impacted. In the event our Company obtains securities or industry analyst coverage, if one or more of the analysts downgrade the Equity Shares of our Company or publish inaccurate or unfavorable research about our business, the price of the Equity Shares may decline. If one or more of these analysts cease coverage of our Company or fail to publish reports on our Company regularly, the demand for the Equity Shares of our Company could decrease, which might cause the price and trading volume of the Equity Shares of our Company to decline.

## SECTION IV: INTRODUCTION

### THE ISSUE

The following table summarises the details of the Issue:

<b>PRESENT ISSUE OF EQUITY SHARES BY OUR COMPANY IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>	
Issue of Equity Shares <sup>(1)(2)</sup>	Up to 54,00,000* Equity Shares of face value of ₹ 10/- each fully paid for cash at a price of ₹ [•] per Equity Share, aggregating to ₹ [•] Lakhs
<i>Of which:</i>	
Market Maker Portion	Up to [•] Equity Shares of face value of ₹ 10/- each fully paid for cash at a price of ₹ [•] per Equity Share, aggregating to ₹ [•] Lakhs
Net Issue to Public	Up to [•] Equity Shares of face value of ₹ 10/- each fully paid for cash at a price of ₹ [•] per Equity Share, aggregating to ₹ [•] Lakhs
The Net Issue consists of:	
A) QIB Portion <sup>(3)(4)(5)</sup>	Up to [•]* Equity Shares aggregating up to ₹ [•] Lakhs
<i>of which:</i>	
i. Anchor Investor Portion	Up to [•]* Equity Shares aggregating up to ₹ [•] Lakhs
ii. Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[•]* Equity Shares aggregating up to ₹ [•] Lakhs
<i>of which:</i>	
a. Available for allocation to Mutual Funds (5% of the Net QIB Portion)	Up to [•]* Equity Shares aggregating up to ₹ [•] Lakhs
b. Balance of the Net QIB Portion for all QIBs including Mutual Funds	Up to [•]* Equity Shares aggregating up to ₹ [•] Lakhs
B) Non-Institutional Portion <sup>(4)(5)(6)(7)</sup>	Not less than [•]* Equity Shares aggregating up to ₹ [•] Lakhs
C) Retail Portion <sup>(4)(5)(6)(7)</sup>	Not less than [•]* Equity Shares aggregating up to ₹ [•] Lakhs
<b>Pre and post-Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue (as at the date of this Draft Red Herring Prospectus)	1,32,53,951 Equity Shares of face value of ₹ 10/- each fully paid-up
Equity Shares outstanding after the Issue	Up to [•]* Equity Shares of face value of ₹ 10/- each fully paid-up
<b>Utilisation of Net Proceeds</b>	For information about the use of the Net Proceeds, please see “ <i>Objects of the Issue</i> ” on page no. 84 of this Draft Red Herring Prospectus

\*Subject to finalization of the Basis of Allotment.

- (1) The Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229(2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
- (2) The Issue has been authorized by our Board of Directors pursuant to resolution passed at its meeting dated December 14, 2024 and by our Shareholders pursuant to a special resolution passed at the Extra Ordinary General Meeting dated December 18, 2024 called at shorter notice.
- (3) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that: (a) not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders; (b) not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders; and (c) not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to bidders in the other category.
- (4) Our Company may, in consultation with the BRLM, may allocate up to 60% of the QIB portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion shall be accordingly reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion is available for allocation to domestic Mutual Funds only, subject to valid Bids being received from

*domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added back to the Net QIB Portion. Further, 5.00% of the Net QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion (excluding Anchor Investor Portion) will be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids having being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see “Issue Procedure” on page no. 289 of this Draft Red Herring Prospectus.*

- (5) Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. In the event of under-subscription in the Issue, Equity Shares shall be allocated in the manner specified in “Terms of the Issue” on page no. 273 of this Draft Red Herring Prospectus.*
- (6) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from any other category or a combination of categories, as applicable, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange subject to applicable law.*
- (7) Allocation to Bidders in all categories, other than Anchor Investor Portion (if any), Retail Individual Portion and Non-Institutional Portion, shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. The allocation to each Retail Individual Bidders shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. The Allocation to each Non-Institutional Investor shall not be less than the minimum application size viz. ₹200,000, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For details, see “Issue Procedure” on page no. 289 of this Draft Red Herring Prospectus.*

For details, including grounds for rejection of Bids, refer to “Issue Structure”, “Terms of the Issue” and “Issue Procedure” beginning on page nos. 284, 273 and 289 respectively, of this Draft Red Herring Prospectus.

**SUMMARY OF FINANCIAL INFORMATION**

**STATEMENT OF ASSETS & LIABILITIES, AS RESTATED**

*(All amounts are in Indian Rupees Lakhs)*

Particulars	As at			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholder's Fund</b>				
Share Capital	1,234.49	1,234.49	115.75	115.75
Reserves and surplus	1,111.91	535.48	970.07	973.87
<b>Total shareholder's funds</b>	<b>2,346.39</b>	<b>1,769.97</b>	<b>1,085.82</b>	<b>1,089.61</b>
Share application money pending allotment	309.00	-	-	-
<b>Total Equity</b>	<b>2,655.39</b>	<b>1,769.97</b>	<b>1,085.82</b>	<b>1,089.61</b>
<b>LIABILITIES</b>				
<b>Non-current Liabilities</b>				
Long-term borrowings	7,017.96	6,511.73	4,041.75	2,512.40
Long-term provisions	16.79	14.68	10.44	8.32
Deferred Tax liabilities (Net)	-	-	-	-
<b>Total Non-current Liabilities</b>	<b>7,034.75</b>	<b>6,526.41</b>	<b>4,052.20</b>	<b>2,520.71</b>
<b>Current Liabilities</b>				
Short-term borrowings	4,236.82	2,502.16	1,501.15	1,630.76
Trade payables:				
Total outstanding dues of micro and small enterprises	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small	1,385.90	1094.72	969.79	737.4
Other current liabilities	44.22	117.19	39.46	11.06
Short-term provisions	306.79	123.65	26.65	30.02
<b>Total Current Liabilities</b>	<b>5,973.74</b>	<b>3,837.72</b>	<b>2,537.05</b>	<b>2,409.24</b>
<b>Total Liabilities</b>	<b>13,008.49</b>	<b>10,364.14</b>	<b>6,589.24</b>	<b>4,929.96</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>15,663.88</b>	<b>12,134.11</b>	<b>7,675.06</b>	<b>6,019.57</b>
<b>ASSETS</b>				
<b>Non-current Assets</b>				
Property, plant and equipment	2871.33	2,597.21	2,485.23	167.04
Capital Work-in-progress	2258.74	336.57	-	1,619.54
Deferred tax assets (net)	13.28	11.33	9.16	8.4
Investments	290.55	168.00	228.43	185.64
<b>Total Non-current Assets</b>	<b>5,433.90</b>	<b>3,113.11</b>	<b>2,722.82</b>	<b>1,980.62</b>
<b>Current Assets</b>				
Inventories	3,092.20	3,443.48	2,319.33	2,507.52
Trade receivables	5,974.71	4,754.72	1,836.69	977.8
Cash and cash equivalents	95.44	123.6	226.52	98.35
Short term loans and advances	1,067.63	462.11	327.88	455.2
Other current assets	-	237.10	241.82	-
<b>Total current assets</b>	<b>10,229.98</b>	<b>9,021.00</b>	<b>4,952.26</b>	<b>4,038.94</b>
<b>TOTAL ASSETS</b>	<b>15,663.88</b>	<b>12,134.11</b>	<b>7,675.06</b>	<b>6,019.57</b>

**STATEMENT OF PROFIT & LOSS, AS RESTATED**
*(All amounts are in Indian Rupees Lakhs)*

Particulars	For the period / year ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>INCOME</b>				
Revenue from operations	9,641.04	19,054.60	13,158.43	11,979.82
Other Income	10.56	35.54	98.91	58.38
<b>Total Income</b>	<b>9,651.60</b>	<b>19,090.15</b>	<b>13,257.33</b>	<b>12,038.20</b>
<b>EXPENSES</b>				
Consumption of Raw Material	6,366.35	15,023.73	10,995.07	12,220.80
Changes in Inventory	351.28	(1,124.15)	188.19	(1,544.80)
Employee benefits expense	399.93	813.28	365.39	222.40
Finance costs	263.88	707.90	284.06	167.66
Depreciation and amortization expense	182.23	305.04	235.76	33.18
Other expenses	1,335.37	2,602.66	1,199.69	844.48
<b>Total Expenses</b>	<b>8,899.03</b>	<b>18,328.46</b>	<b>13,268.16</b>	<b>11,943.71</b>
<b>Profit before tax</b>	<b>752.56</b>	<b>761.69</b>	<b>(10.83)</b>	<b>94.49</b>
<b>Tax expenses</b>				
Current tax	189.42	191.72	-	23.00
Deferred tax credit/(charge)	(13.28)	(11.33)	(9.16)	(8.40)
Total Tax expenses	176.14	180.38	(9.16)	14.60
<b>Net profit for the period/ year after tax</b>	<b>576.43</b>	<b>581.30</b>	<b>(1.66)</b>	<b>79.89</b>
<b>Earnings per equity share:</b>				
Basic and diluted earnings per share (In Rs)	4.67	4.71	(0.02)	0.77
(Nominal value of share Rs.10 each)				

**STATEMENT OF CASH FLOW, AS RESTATED**
*(All amounts are in Indian Rupees Lakhs)*

Particulars	For the period / year ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Cash flows from Operating Activities</b>				
Net profit before tax and extraordinary items	752.56	761.69	-10.83	94.49
Adjustments :				
Depreciation and amortization	182.23	305.04	235.76	33.18
Interest income	(0.98)	(11.50)	(10.78)	(7.18)
Interest expense	263.88	707.90	284.06	167.66
Income tax liabilities of previous year paid	134.95	(28.34)	22.24	(236.23)
<b>Operating Profit before working capital changes</b>	<b>1,332.64</b>	<b>1,734.79</b>	<b>520.46</b>	<b>51.91</b>
Movements in working capital :				
Decrease/ (Increase) in Inventories	351.28	(1,124.15)	188.19	(1,544.81)
Decrease/ (Increase) in Trade Receivables	(1,219.99)	(2,918.03)	(858.89)	368.83
Decrease/ (Increase) in Other Current Assets	237.10	4.72	(241.82)	(1,270.58)
(Decrease) / Increase in Trade Payables	291.18	124.93	232.39	2.21
(Decrease) / Increase in Other Current Liabilities	(72.97)	77.73	28.39	5.56
Decrease / (Increase) in Short Term loans & Adv.	(605.52)	(134.23)	(127.32)	486.61
(Decrease) / Increase in Short Term Borrowings	1,734.67	1,001.01	(129.61)	-
(Decrease) / Increase in Short Term Provisions	183.14	97.00	(3.37)	8.30
<b>Working Capital changes</b>	<b>898.89</b>	<b>(2,871.01)</b>	<b>(912.04)</b>	<b>(1,943.88)</b>
<b>Cash generated from Operations</b>	<b>2,231.53</b>	<b>(1,136.23)</b>	<b>(391.58)</b>	<b>(1,891.97)</b>
<b>Net cash flows from Operating Activities (A)</b>	<b>2,231.53</b>	<b>(1,136.23)</b>	<b>(391.58)</b>	<b>(1,891.97)</b>
<b>Cash flows from Investing Activities</b>				
Purchase of property, plant and equipment (net of sale)	(456.34)	(417.03)	(557.03)	(6.82)
Other tangible Asset & capital work-in-progress	(1,922.18)	(336.57)	-	-
Non-Current Investment	(122.55)	60.43	-	-
Deferred Tax (Asset) / Liability	(1.95)	(2.17)	8.40	-
Interest Received	0.98	11.50	-	7.13
Sale of Investment	-	-	(42.79)	(81.67)
<b>Net cash used in Investing Activities (B)</b>	<b>(2,502.04)</b>	<b>(683.82)</b>	<b>(591.41)</b>	<b>(81.37)</b>
<b>Cash flows from financing activities</b>				
Proceeds / (repayment) from long term borrowings (net)	506.23	2,425.03	1,444.69	2,029.13
Proceeds from issue of share capital on premium	-	-	(40.70)	-

Particulars	For the period / year ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Interest paid	(263.88)	(707.90)	(292.83)	(167.66)
<b>Net cash from Financing Activities (C)</b>	<b>242.35</b>	<b>1,717.14</b>	<b>1,111.17</b>	<b>1,861.47</b>
Net Increase / (decrease) in cash and cash equivalents (A+B+C)	(28.16)	(102.92)	128.18	(111.86)
Cash and cash equivalents at beginning of the year/period	123.60	226.52	98.35	210.22
<b>Cash and cash equivalents at the end of the year</b>	<b>95.44</b>	<b>123.60</b>	<b>226.52</b>	<b>98.35</b>
<b>Components of Cash and Cash Equivalents</b>				
Balance with banks in current accounts	91.50	123.57	224.23	20.60
Cash in hand as certified by management	3.94	0.03	2.29	77.75
<b>Total Cash and Cash Equivalents</b>	<b>95.44</b>	<b>123.60</b>	<b>226.52</b>	<b>98.35</b>

## GENERAL INFORMATION

Our Company was originally incorporated as ‘Albatross Speciality Papers Private Limited’ as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated April 15, 2008 issued by the Assistant Registrar of Companies, Maharashtra, Mumbai. Thereafter, pursuant to special resolution passed by the shareholders of our Company at the extraordinary general meeting held on January 18, 2011 at shorter notice, the name of our Company was changed to ‘Saffron Speciality Papers Private Limited’ and a fresh certificate of incorporation pursuant to change of name dated January 28, 2011 was issued by Deputy Registrar of Companies, Maharashtra, Mumbai. Thereafter, our Company was converted to a public limited company, pursuant to a special resolution passed by the shareholders of our Company at the extraordinary general meeting held on June 12, 2024 and the name of our Company was changed to ‘Saffron Speciality Papers Limited’ and a fresh certificate of incorporation consequent upon conversion to a public limited company dated September 17, 2024 was issued to our Company by the Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies, Central Processing Centre. The Corporate Identify Number of the Company is U51396MH2008PLC181181.

### Registered Office of our Company

#### Saffron Speciality Papers Limited

Survey No. 53, Hissa 29, 75/2 and 77/5 Village Aamne  
Near Indian Petrol Pump, Thane  
Bhiwandi 421302, Maharashtra  
**Tel No:** 022 35216275  
**Email:** info@saffronindia.net  
**Investor Grievance ID:** grievance@saffronindia.net  
**Website:** www.saffronindia.net

### Corporate Office of our Company

#### Saffron Speciality Papers Limited

B 205, Cello Truimp, I B Patel Road  
Goregaon East, Mumbai 400063, Maharashtra  
**Tel No:** 1800 891 1566

*For details relating to changes in our registered office, see “History and Certain Corporate Matters - Changes in Registered Office” on page no. 168 of this Draft Red Herring Prospectus.*

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

**Corporate Identification Number:** U51396MH2008PLC181181

**Registration Number:** 181181

### Address of Registrar of Companies

Our Company is registered with the Registrar of Companies, Mumbai, which is situated at the following address:  
100, Everest, Marine Drive  
Mumbai 400002, Maharashtra

### Board of Directors of our Company

As on the date of this Draft Red Herring Prospectus, our Board of Directors is as set out below:

Name of Director	Designation	DIN	Address
Sweta Agarwal	Chairman and Managing Director	05102406	1103/04, Brookhill, Off Ghodbunder Road, Hiranandani Estate, Thane 400607, Maharashtra
Amisha Agarwal	Whole-Time Director	03356275	Shyam Shruti Building, Near Shyam Mandir, Near V.I.P. Plaza, V.I.P. Road, Vesu, Surat 395007, Gujarat
Harshiel Agarwal	Non-Executive Director	10506264	1103/04, Brookhill, Off Ghodbunder Road,



Name of Director	Designation	DIN	Address
			Hiranandani Estate, Thane 400607, Maharashtra
Narayanan Ananthakrishnan Iyer	Non-Executive Independent Director	03470438	B-1702 Integrated Kamal, Mulund, Goregaon, Link Road, Opp Mulund, Registration Office, Mulund West, Mumbai 400080
Mahavir Prasad Hingar	Non-Executive Independent Director	03384356	Building No. A7, Flat No. 61, Avillion Green Fields CHS Ltd, Jogeshwari Vikhroli Link Road, Mumbai 400093
Jaykishan Rathi	Non-Executive Independent Director	10868613	C/203, East Point, Althan Bhimrad Canal Road, Althan, Surat 395017, Gujarat

For further details of our directors, see “*Our Management*” on page no. 173 of this Draft Red Herring Prospectus.

### Company Secretary and Compliance Officer

#### Agrima Shah

Survey No. 53, Hissa 29, 75/2 and 77/5 Village Aamne

Near Indian Petrol Pump, Thane

Bhiwandi 421302, Maharashtra

**Tel No:** 022 35216275

**Email:** cs@saffronindia.net

**Investor Greivance Id:** grievance@saffronindia.net

#### Investor grievances

**Bidders are advised to contact the Company Secretary and Compliance Officer, the Book Running Lead Manager or the Registrar to the Issue in case of any pre-Issue or post-Issue related grievances 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 Issue-related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or first Bidder, address of the Bidder, Bidder’s DP ID, Client ID, PAN, number of Equity Shares applied for, the Bid amount paid on submission of the Bid cum Application Form and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centers, as the case may be, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder’s DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

All grievances relating to the UPI mechanism may be addressed to the Registrar to the Issue with a copy to the relevant Sponsor Bank or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centers, as the case may be, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder’s DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the UPI ID of the UPI ID Linked Bank Account in which the amount equivalent to the Bid Amount was blocked.

All grievances relating to Bids submitted through the Registered Broker and/or a Stock Broker may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, 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 BRLM where the Bid cum Application Form was submitted by the Anchor Investor.

The Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned above.

### **Book Running Lead Manager**

#### **BOI Merchant Bankers Limited**

Star House 2, Plot No C-4, G Block, 1st Floor  
Bandra Kurla Complex, Bandra East, Mumbai 400051

**Tel:** 022 6131 2906

**Email:** info@boimb.com

**Investor Grievance Email:** compliance@boimb.com

**Website:** www.boimb.com

**Contact Person:** Sanjay M Phadke

**SEBI Registration No:** INM000012201

### **Statement of Responsibilities**

BOI Merchant Bankers Limited is the sole Book Running Lead Manager to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by BOI Merchant Bankers Limited and hence, a statement of inter-se allocation of responsibilities is not required.

### **Legal Counsel to the Issue**

#### **M/s. Desai & Diwanji**

16th Floor, Building No. 5, Tower C, DLF Epitome  
DLF Phase III, Gurugram 122002

**Tel No:** 022 4850 300 / 301

**Email:** tushar.dey@desaidiwanji.com

**Website:** www.desaidiwanji.com

**Contact Person:** Tushar Dey

### **Statutory Auditors to our Company**

#### **M/s. SKVM and Company, Chartered Accountants**

5B, 49, High Street Mall, 5<sup>th</sup> Floor,  
Above Big Bazaar, Kapurbawdi Junction,  
Thane - 400607

**Tel:** 022 25413845 / 41313845

**Email:** Sachin.bhattad@skvmglobal.com

**Contact person:** CA Sachin Shrinivas Bhattad

**Membership No.:** 109485

**Peer Review Number:** 015052

**Firm Registration Number:** 121035W

### **Changes in statutory auditors during the last 3 (three) years**

Except as stated below, there have been no changes in the Statutory Auditors of the Company in the last 3 (three) years:

<b>Name of Statutory Auditor</b>	<b>Particulars of change</b>	<b>Date of change</b>
M/s. Krshna & Associates, Chartered Accountants*	Casual Vacancy - Due to rotation of auditor in terms of Companies Act 2013	October 5, 2024
M/s. SKVM and Company, Chartered Accountants	Appointment as Statutory Auditors of the Company	October 10, 2024

*\*ADT-1 was wrongly filed extending the tenure by 5 years even though the Firm's tenure was completed in terms of Company Act 2013. Hence ADT-1 was filed again showing casual vacancy.*

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

##### **NSDL Database Management Limited**

4th Floor, Tower 3, One International Centre,  
Senapati Bapat Marg, Prabhadevi, Mumbai 400013

**Tel:** 022 49142700

**Fax:** 022 49142503

**Email:** nileshb@ndml.in

**Investor Grievance Email:** ipo.saffron@ndml.in

**Website:** www.nsdl.co.in

**Contact Person:** Nilesh Bhandare

**SEBI Registration Number:** INR000004181

#### **Bankers to our Company**

##### **HDFC Bank Limited**

A Wing, 3rd Floor, J.B. Nagar,  
Andheri Kurla Road, Andheri East, Mumbai 400059

**Tel:** 09426792009

**Email:** mohit.singhal@hdfcbank.com

**Website:** www.hdfcbank.com

**Contact Person:** Mohit Singhal

#### **Syndicate Members**

The Syndicate Member(s) will be appointed prior to filing of the Red Herring Prospectus with the RoC.

#### **Bankers to the Issue**

The Bankers to the Issue will be appointed prior to filing of the Red Herring Prospectus with the RoC.

#### **Designated Intermediaries**

##### **Escrow Collection Bank, Public Issue Account Bank, Refund Bank and Sponsor Bank**

The Sponsor Bank/Refund Bank/Escrow Collection Bank, Public Issue Account Bank shall be appointed prior to filing of the Red Herring Prospectus with the RoC.

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

##### **Self-Certified Syndicate Banks eligible as Sponsor Banks for UPI Mechanism**

The list of SCSBs through which Bids can be submitted by the UPI Bidders using the UPI Mechanism, including details such as the eligible Mobile Applications and UPI handle which can be used for such Bids, is available on the website of the SEBI, and may be updated from time to time or at such other website as may be prescribed by SEBI

from time to time. Applications through UPI in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website.

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders using the UPI Mechanism may apply through the SCSBs and Mobile Applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time.

### **Syndicate SCSB Branches**

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

### **Registered Brokers**

In terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, Bidders can submit the ASBA Forms in the Issue using the stock broker network of the stock exchange, i.e. through the Registered Brokers at the Broker Centers.

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

### **Registrar and Share Transfer Agents (RTAs)**

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at <https://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx> and <https://www.nseindia.com/products/consent/equities/ipos/asba-procedures.htm>, as updated from time to time.

### **Collecting Depository Participants**

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Bidders can submit Bid cum Application Forms through CDPs who are depository participants registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively, as updated from time to time.

### **Collecting RTAs**

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Bidders can submit Bid cum Application Forms through Collecting RTAs who are registrars and transfer agents registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

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

**Credit Rating**

As this is an Issue consisting only of Equity Shares, there is no requirement to obtain credit rating for the Issue.

**Green Shoe Option**

No Green Shoe Option is contemplated under this Issue.

**Brokers to the Issue**

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

**Debenture Trustee**

As this is an Issue consisting of Equity Shares, the appointment of a debenture trustee is not required for the Issue.

**IPO Grading of the Issue**

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Issue.

**Experts**

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

Our Company has received written consent dated February 6, 2025, from our Statutory Auditors, M/s. SKVM and Company, Chartered Accountants, who hold a valid peer review certificate, to include its name as required under Section 26(5) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an “Expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of (i) the examination report dated January 16, 2025 on the Restated Financial Statements; and (ii) the Statement of Special Tax Benefits dated February 6, 2025 included in this Draft Red Herring Prospectus and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

In addition, our Company has also received (i) written consent dated December 20, 2024 from Infomerics Analytics & Research Private Limited, in relation to the industry report with respect to our Company, (ii) written consent dated January 13, 2025 from Independent Chartered Engineer, R. D. Ashtaputra & Associates in relation to the on-going construction of the Manufacturing Facility Unit 2 & installed capacity of the Company and (iii) written consent dated January 13, 2025 from Architect & Consulting Engineer, S D & Associates in relation to the on-going construction of the Manufacturing Facility Unit 2, to include their names in this Draft Red Herring Prospectus and as an “Expert” as defined under section 2(38) of the Companies Act, 2013 and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

**Trustees**

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

**Monitoring Agency**

Our Company will appoint the monitoring agency for monitoring the utilization of the Net Proceeds in compliance with Regulation 41 of the SEBI ICDR Regulations, prior to filing of the Red Herring Prospectus with the RoC. For details, see “*Objects of the Issue – Monitoring of utilization of funds*” on page no. 84 of this Draft Red Herring Prospectus.

**Appraising Agency**

None of the objects for which the Net Proceeds will be utilized have been appraised by any agency. Accordingly, no appraising entity has been appointed in relation to the Issue.

## Filing

The Draft Red Herring Prospectus and Prospectus shall be filed with BSE situated at BSE Building, P.J. Tower, Dalal Street, Fort, Mumbai-400001, Maharashtra.

A copy of this Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations, a copy of Red Herring Prospectus shall be furnished to the Board. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of this Draft Red Herring Prospectus, will be filed with the SME Platform of BSE Limited, where the Equity Shares are proposed to be listed.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed, will be filed with the RoC in accordance with Section 32 of the Companies Act and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be filed with the RoC at least three (3) working days prior to the date of opening of the Issue.

## Book Building Process

The book building, in context of the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band, which will be decided by our Company in consultation with the BRLM, and advertised in all editions of the widely circulated English national daily newspaper, [•], all editions of Hindi national daily newspaper, [•] and [•] editions of the widely circulated Marathi daily newspaper, [•] (Marathi being the regional language of Maharashtra, where our Registered Office is located) at least 2 (two) Working Days prior to the Bid/Issue Opening Date and was made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Issue Price shall be determined by our Company, in consultation with the BRLM, after the Bid/Issue Closing Date. For details, see “*Issue Procedure*” beginning on page no. 289 of this Draft Red Herring Prospectus.

**All Bidders other than Anchor Investors participated through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount was blocked by the SCSBs. In addition to this, the Retail Individual Investors participated through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount was blocked by the SCSBs or by using the UPI Mechanism. Non-Institutional Investors with an application size of up to ₹ 5.00 lakhs could use the UPI Mechanism and could also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors were not permitted to participate in the Issue through the ASBA process.**

**In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of the number of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bid(s) during the Bid/ Issue Period and withdraw their Bid(s) until Bid/ Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Except for Allocation to RIBs, NIIs and the Anchor Investors, allocation in the Issue will be on a proportionate basis. Further, allocation to Anchor Investors will be on a discretionary basis.**

Each Bidder by submitting a Bid in the Issue, will be deemed to have acknowledged the above restrictions and the terms of the Issue.

For further details, see “*Terms of the Issue*”, “*Issue Structure*” and “*Issue Procedure*” beginning on page nos. 273, 284 and 289 of this Draft Red Herring Prospectus, respectively.

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

Bidders should note that, the Issue is also subject to obtaining (i) the final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment.

## Illustration of Book Building Process and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see “*Terms of the Issue*” and “*Issue Procedure*” on page nos. 273 and 289 of this Draft Red Herring Prospectus, respectively

### Underwriting Agreement

(This portion has been intentionally left blank and will be filled in before the filing of the Red Herring Prospectus with the RoC.)

Name, address, telephone number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (₹ in lakhs)
[•]	[•]	[•]
[•]	[•]	[•]

The above mentioned is indicative underwriting and will be finalized after determination of the Issue Price and actual allocation subject to the provisions of Regulation 40(2) of the SEBI ICDR Regulations.

In the opinion of our Board (based on a certificate given by the Underwriters), the resources of the abovementioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12 (1) of the SEBI Act or registered as merchant bankers with SEBI or as brokers with the Stock Exchange(s). Our Board of Directors, at its meeting held on [•], approved the acceptance and entering into the Underwriting Agreement mentioned above on behalf of our Company.

Notwithstanding the table above, the BRLM and the Syndicate Members shall be responsible for ensuring payment with respect to the Equity Shares allocated to the Bidders procured by them in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after determination of the Issue Price and allocation of Equity Shares, but prior to filing the Prospectus with the RoC. The Underwriting Agreement shall list out the role and obligations of each Syndicate Member, and *inter alia* contain a clause stating that margin collected shall be uniform across all categories indicating the percentage to be paid as margin by the Bidders at the time of Bidding. The extent of underwriting obligations and the Bids to be underwritten in the Issue by the BRLM shall be as per the Underwriting Agreement.

### Market Maker

[•]

### Details of the Market Making Agreement

In accordance with Regulation 261 of the SEBI ICDR Regulations, we shall enter into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with BSE to fulfil the obligations of Market Making) dated [•] to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares issued in this issue.

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

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

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being issued 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 BSE 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 Lakh 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 application lot size is [•] Equity Shares thus minimum depth of the quote shall be [•] until the same, would be revised by NSE.
4. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25%. Or upper limit (Including the 5% of Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% equity shares would not be taken into consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
5. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
6. 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.
7. 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.
8. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and BSE from time to time.
9. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by them.
10. 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.
11. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on BSE SME and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
12. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/ fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
13. The 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.
14. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Company, who shall then be responsible to appoint a replacement Market Maker.
15. In case of termination of the abovementioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Company 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 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.
16. **Risk containment measures and monitoring for Market Maker:** BSE will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
17. **Punitive Action in case of default by Market Maker:** BSE 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 (issuing 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 ₹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.

19. The following spread will be applicable on the BSE SME:

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

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

Sr. No.	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)
1.	Up to ₹ 20 Crore	25%	24%
2.	₹20 Crore to ₹50 Crore	20%	19%
3.	₹50 Crore to ₹80 Crore	15%	14%
4.	Above ₹80 Crore	12%	11%

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

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

## CAPITAL STRUCTURE

The Equity Share capital of the Company, as at the date of this Draft Red Herring Prospectus and after the proposed Issue is set forth below:

(₹ in Lakhs except share data)

Particulars	Aggregate Value at Face value (in ₹)	Aggregate Value at Issue Price (in ₹)
<b>A. AUTHORISED SHARE CAPITAL<sup>#</sup></b>		
2,00,00,000 Equity Shares of face value of Rs. 10/- each	2,000.00	-
<b>B. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>		
1,32,53,951 Equity Shares of face value of Rs. 10/- each	1,325.40	-
<b>C. PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>		
Issue of up to 54,00,000* Equity Shares of face value of Rs. 10/- each aggregating up to [•] lakhs <sup>(1)</sup>	[•]	[•]
<i>Which includes:</i>		
Up to [•] Equity Shares of face value of Rs. 10/- each at a price of Rs. [•]/- per Equity Share reserved as Market Maker Portion	[•]	[•]
Net issue to Public of up to [•] Equity Shares of Rs. 10/- each at a price of Rs. [•]/- per Equity Share to the Public	[•]	[•]
<i>Of Which:</i>		
Retail Portion		
At least [•] Equity Shares aggregating up to Rs. [•] Lakhs will be available for allocation to Retail Individual Investors	[•]	[•]
Non-Institutional Portion		
At least [•] Equity Shares aggregating up to Rs. [•] Lakhs will be available for allocation to Non-Institutional Investors	[•]	[•]
QIB Portion		
Not more than [•] Equity Shares aggregating up to Rs. [•] Lakhs will be available for allocation to Qualified Institutional Buyers, five per cent. Of which shall be allocated to mutual funds	[•]	[•]
<b>D. ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL AFTER THE ISSUE</b>		
[•] Equity Shares of face value of Rs. 10 each*		[•]
<b>E. SECURITIES PREMIUM ACCOUNT</b>		
Before the Issue		905.22 <sup>^</sup>
After the Issue		[•]

\*To be updated upon finalization of the Issue Price and subject to the Basis of Allotment.

<sup>(1)</sup> The Issue has been authorized by way of a resolution of our Board dated December 14, 2024 and by way of a special resolution of our Shareholders passed at the Extra Ordinary General Meeting dated December 18, 2024 called at shorter notice.

<sup>#</sup> For details of changes to the Company's authorised share capital in the last ten (10) years, see "History and Certain Corporate Matters" on page no. 168 of this Draft Red Herring Prospectus.

<sup>^</sup> Our Company has issued 9,09,083 equity shares on November 19, 2024 at Issue Price of Rs. 99 per share and Rs. 809.08 lakhs are allocated towards securities premium.

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

### Notes to Capital Structure

#### 1. Share Capital history of our Company

##### A. The following table sets forth the history of the Equity Share Capital of our Company:

Date of allotment of Equity Shares	No. of Equity Shares Allotted	Face Value per Equity Share (in ₹)	Issue Price Per Equity Share (in ₹)	Nature of consideration	Reasons/ Nature of allotment	Cumulative no. of Equity Shares	Cumulative paid-up Equity Share Capital (in ₹)
Initial Subscription to MoA	10,000	10	10	Cash	Subscription to MOA <sup>(1)</sup>	10,000	100,000
March 30, 2011*	7,32,820	10	10	Cash	Further Issue <sup>(2)</sup>	7,42,820	74,28,200
March 30, 2011*	2,00,500	10	100	Cash	Further Issue <sup>(3)</sup>	9,43,320	94,33,200
June 15, 2015	38,333	10	300	Cash	Further Issue <sup>(4)</sup>	9,81,653	98,16,530
February 26, 2016	33,333	10	300	Cash	Rights Issue <sup>(5)</sup>	10,14,986	1,01,49,860
March 20, 2016	1,42,500	10	300	Cash	Further Issue <sup>(6)</sup>	11,57,486	1,15,74,860
March 28, 2024	2,14,166	10	50	Cash	Further Issue <sup>(7)</sup>	13,71,652	1,37,16,520
March 31, 2024	1,09,73,216	10	10	Other than cash	Bonus Issue <sup>(8)</sup>	1,23,44,868	12,34,48,680
November 19, 2024	9,09,083	10	99	Cash	Further Issue <sup>(9)</sup>	1,32,53,951	13,25,39,510

\*Our Company had made two allotments (refer note. ii and iii) on March 30, 2011. Allotments were done at different Issue Prices; however, Company inadvertently filed a single Form 2 with RoC for allotment of 9,33,320 Equity Shares at Issue Price of Rs. 10 per share.

(i) Initial subscription of Memorandum of Association of our Company

Sr. No.	Name	No. of Equity Shares
1.	Devratan Shivkisan Daga	5,000
2.	Vipul Desai	5,000
<b>Total</b>		<b>5,000</b>

(ii) Further Allotment of 7,32,820 Equity Shares of face value of Rs. 10 at a price of Rs. 10 each:

Sr. No.	Name	No. of Equity Shares
1.	Vikas Suresh Agarwal	3,41,020
2.	Amisha Agarwal	2,15,800
3.	Suresh Kumar Agarwal	62,000
4.	Puspa Agarwal	59,000
5.	Sweta Agarwal	15,000
6.	Rajesh Agarwal	40,000
<b>Total</b>		<b>7,32,820</b>

(iii) Further Allotment of 2,00,500 Equity Shares of face value of Rs. 10 at a price of Rs. 100 each:

Sr. No.	Name	No. of Equity Shares
1.	Vikash Sharma	32,000
2.	R L Sharma	43,500
3.	Seema Holding Pvt Ltd	13,500
4.	Siddheshwari Vyapaar Pvt Ltd	26,500
5.	PCJ Finvest Pvt Ltd	10,000
6.	Sharan Export (India) Ltd	25,000
7.	Banaras IGA South Asia Ltd	50,000
<b>Total</b>		<b>2,00,500</b>

(iv) Further Allotment of 38,333 Equity Shares of face value of Rs. 10 at a price of Rs. 300 each:

Sr. No.	Name	No. of Equity Shares
1.	Sun Dweep Engineers Pvt Ltd	38,333
<b>Total</b>		<b>38,333</b>

(v) Rights Issue of 33,333 Equity Shares of face value of Rs. 10 at a price of Rs. 300 each, in the ratio of 1 share for every 29.45 shares held:

Sr. No.	Name	No. of Equity Shares
1.	Sun Dweep Engineers Pvt Ltd	33,333
<b>Total</b>		<b>33,333</b>

(vi) Further Allotment of 1,42,500 Equity Shares of face value of Rs. 10 at a price of Rs. 300 each:

Sr. No.	Name	No. of Equity Shares
1.	Blockdeal Suppliers Pvt Ltd	61,200
2.	Indivar Tradelinks Pvt Ltd	42,300
3.	Lifewood Vincom Pvt Ltd	39,000
<b>Total</b>		<b>1,42,500</b>

(vii) Further Allotment of 2,14,166 Equity Shares of face value of Rs. 10 at a price of Rs. 50 each:

Sr. No.	Name	No. of Equity Shares
1.	Vipul Desai	15,000
2.	Samar Agarwal	5,000
3.	Neha Agarwal	5,000
4.	Piyush Rajgaria	5,000
5.	Sonam Agarwal	5,000
6.	Jagruti Desai	15,000
7.	Abbas Presswala	1,49,166
8.	Dhruv V Desai	5,000
9.	Monika Kankani	2,500
10.	Mamta Singh	2,500
11.	Ritesh Agarwal	5,000
<b>Total</b>		<b>2,14,166</b>

(viii) Bonus Issue in the ratio 8:1 (i.e. 8 Bonus Equity Shares for every 1 Equity Share held) of 1,09,73,216 Equity Shares of face value of Rs. 10 each:

Sr. No.	Name	No. of Equity Shares
1.	Vipul Desai	1,20,000
2.	Puspa Agarwal	4,72,000
3.	Sweta Agarwal	49,12,000
4.	Rajesh Agarwal	12,24,160
5.	Samar Agarwal	40,000
6.	Neha Agarwal	40,000
7.	Piyush Rajgaria	40,000
8.	Sonam Agarwal	40,000
9.	Jagruti Desai	1,20,000
10.	Abbas Presswala	11,93,328
11.	Dhruv V Desai	40,000
12.	Monika Kankani	20,000
13.	Mamta Singh	20,000
14.	Ritesh Agarwal	40,000
15.	Harshiel Agarwal	26,51,728
<b>Total</b>		<b>1,09,73,216</b>

(ix) Further Allotment of 9,09,083 Equity Shares of face value of Rs. 10 at a price of Rs. 99 each:

Sr. No.	Name	No. of Equity Shares
1.	Abdul Rasul Akbarali Hamid	63,636
2.	Abhay Mukesh Gohel	18,181
3.	Ambika Agarwal	54,545

Sr. No.	Name	No. of Equity Shares
4.	Anand Shrikant Mehta	27,272
5.	Ankit Bharat Shah	18,181
6.	Bimal Khandelwal	1,09,090
7.	Dilshad Abdul Hamid	25,252
8.	Jackie Abdul Hamid	25,252
9.	Naziya Vicky Hamid	25,252
10.	Rajesh Jasvantlal Shah	54,545
11.	Sanjay Mohan	1,01,010
12.	SB Opportunities Fund I	1,01,010
13.	Sonal Rajesh Shah	45,454
14.	Sveltetech Technologies Pvt Ltd	1,00,000
15.	Vimla Pradeep Solanki	9,090
16.	Vui Consultancy Pvt Ltd	1,00,000
17.	Shilpi Agarwal	31,313
<b>Total</b>		<b>9,09,083</b>

- Our Company does not have any preference share capital as on the date of this Draft Red Herring Prospectus.
- Except as detailed below, our Company has not issued any Equity Shares for consideration other than cash since incorporation:

Date of the allotment	No. of Equity Shares	Face value (in ₹)	Issue Price (in ₹)	Reasons for allotment	Benefits accruing to the Company	Form of consideration	Person to whom the allotment was made	No. of Shares Allotted
March 31, 2024	1,09,73,216	10.00	N.A.	Bonus Issue	Capitalization of Reserves & Surplus	NA	Vipul Desai	1,20,000
							Puspa Agarwal	4,72,000
							Sweta Agarwal	49,12,000
							Rajesh Agarwal	12,24,160
							Samar Agarwal	40,000
							Neha Agarwal	40,000
							Piyush Rajgaria	40,000
							Sonam Agarwal	40,000
							Jagruti Desai	1,20,000
							Abbas Presswala	11,93,328
							Dhruv V Desai	40,000
							Monika Kankani	20,000
							Mamta Singh	20,000
Ritesh Agarwal	40,000							
Harshiel Agarwal	26,51,728							

- As on date of this Draft Red Herring Prospectus, no Equity Shares have been allotted by our Company pursuant to any scheme approved under Sections 391-394 of the Companies Act, 1956 or Sections 230-234 of Companies Act, 2013.
- As on date of this Draft Red Herring Prospectus, no Equity Shares have been issued out of capitalization of its revaluation reserves or unrealized profits by our Company.
- As on date of this Draft Red Herring Prospectus, no Equity shares have been allotted under any employee stock option scheme or employee stock purchase scheme.

7. Except as stated below, our Company has not issued any Equity Shares in the last one year preceding the date of this Draft Red Herring Prospectus, which may be at a price lower than the Issue Price.

Date of the allotment	No. of Equity Shares	Face value (in ₹)	Issue Price (in ₹)	Reasons for allotment	Person to whom the allotment was made	No. of Shares Allotted	Whether Part of Promoter Group
March 28, 2024	2,14,166	10	50	Further Issue	Vipul Desai	15,000	No
					Samar Agarwal	5,000	Yes
					Neha Agarwal	5,000	No
					Piyush Rajgaria	5,000	Yes
					Sonam Agarwal	5,000	No
					Jagruti Desai	15,000	No
					Abbas Presswala	1,49,166	Yes
					Dhruv V Desai	5,000	No
					Monika Kankani	2,500	No
					Mamta Singh	2,500	No
					Ritesh Agarwal	5,000	No
March 31, 2024	1,09,73,216	10.00	N.A.	Bonus Issue	Vipul Desai	1,20,000	No
					Puspa Agarwal	4,72,000	Yes
					Sweta Agarwal	49,12,000	Yes
					Rajesh Agarwal	12,24,160	Yes
					Samar Agarwal	40,000	Yes
					Neha Agarwal	40,000	No
					Piyush Rajgaria	40,000	Yes
					Sonam Agarwal	40,000	No
					Jagruti Desai	1,20,000	No
					Abbas Presswala	11,93,328	Yes
					Dhruv V Desai	40,000	No
					Monika Kankani	20,000	No
					Mamta Singh	20,000	No
Ritesh Agarwal	40,000	No					
Harshiel Agarwal	26,51,728	Yes					
November 19, 2024	9,09,083	10	99	Further Issue	Abdul Rasul Akbarali Hamid	63,636	No
					Abhay Mukesh Gohel	18,181	No
					Ambika Agarwal	54,545	No

<b>Date of the allotment</b>	<b>No. of Equity Shares</b>	<b>Face value (in ₹)</b>	<b>Issue Price (in ₹)</b>	<b>Reasons for allotment</b>	<b>Person to whom the allotment was made</b>	<b>No. of Shares Allotted</b>	<b>Whether Part of Promoter Group</b>
					Anand Shrikant Mehta	27,272	No
					Ankit Bharat Shah	18,181	No
					Bimal Khandelwal	1,09,090	No
					Dilshad Abdul Hamid	25,252	No
					Jackie Abdul Hamid	25,252	No
					Naziya Vicky Hamid	25,252	No
					Rajesh Jasvantlal Shah	54,545	No
					Sanjay Mohan	1,01,010	No
					SB Opportunities Fund I	1,01,010	No
					Sonal Rajesh Shah	45,454	No
					Sveltetech Technologies Pvt Ltd	1,00,000	No
					Vimla Pradeep Solanki	9,090	No
					Vui Consultancy Pvt Ltd	1,00,000	No
					Shilpi Agarwal	31,313	No

8. The following is the Equity Shareholding pattern of our Company as on the date of the Draft Red Herring Prospectus\*:

Category (I)	Category of Shareholder (II)	Nos. of Shareholders (III)	No. of fully paid up equity shares held (IV)	No. of partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)=(I V + (V)+(VI)	Shareholding as a % total No. of shares (calculated as per SCRR, 1957 (VII) As a % of A+B+C2)	Number of voting rights held in each class of securities (IX)				No. of shares underlying outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	No. of locked in shares (XII)		No. of shares pledged or otherwise encumbered (XIII)		No. of equity shares held in dematerialized form (XIV)
								No. of voting Rights			Total as a % of A+B+C			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class (Equity)	Class (Others)	Total								
(A)	Promoter & Promoter Group	5	1,18,49,868	-	-	1,18,49,868	1,18,49,868	1,18,49,868	-	1,18,49,868	1,18,49,868	-	-	-	-	-	-	1,18,49,868
(B)	Public	25	14,04,083	-	-	14,04,083	14,04,083	14,04,083	-	14,04,083	14,04,083	-	-	-	-	-	-	14,04,083
(C)	Non-Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>30</b>	<b>1,32,53,951</b>	<b>-</b>	<b>-</b>	<b>1,32,53,951</b>	<b>1,32,53,951</b>	<b>1,32,53,951</b>	<b>-</b>	<b>1,32,53,951</b>	<b>1,32,53,951</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,32,53,951</b>

\*The shareholding is as per the BENPOS dated February 7, 2025.



9. Details of equity shareholding of the major shareholders of our Company:

- i. Names of Equity Shareholders of the Company holding 1% or more of the paid-up capital of the Company aggregating to 80% or more of the paid-up share capital and the number of Equity Shares held by them as on the date of the filing of this Draft Red Herring Prospectus:

Sr. No.	Name of Equity Shareholders	No. of Equity Shares	% of Pre- Issue Equity Share Capital	% of Post-Issue Equity Share Capital
1.	Sweta Agarwal	69,03,180	52.08%	[•]
2.	Harshiel Agarwal	35,14,194	26.51%	[•]
3.	Abbas Presswala	13,42,494	10.13%	[•]
4.	Vipul Desai	1,35,000	1.02%	[•]
5.	Jagruti Desai	1,35,000	1.02%	[•]
<b>Total</b>		<b>1,20,29,868</b>	<b>90.76%</b>	<b>[•]</b>

- ii. None of the Equity 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 DRHP are entitled to any Equity Shares upon exercise of warrant, option or right to convert a debenture, loan or other instrument.
- iii. Set forth below is a list of shareholders holding 1% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, and the number of Equity Shares held by them, as of two years prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Equity Shareholders	No. of Equity Shares	% of Pre- Issue Equity Share Capital	% of Post-Issue Equity Share Capital
1.	Amisha Agarwal	2,20,800	19.08%	[•]
2.	Puspa Agarwal	59,000	5.10%	[•]
3.	Sweta Agarwal	6,14,000	53.05%	[•]
4.	Rajesh Agarwal	49,520	4.28%	[•]
5.	Deepak Kumar Gupta	71,666	6.19%	[•]
6.	Arti Devi	61,200	5.29%	[•]
7.	Ajay Kumar Jha	42,300	3.65%	[•]
8.	Kodiyil Sivan Pillai	39,000	3.37%	[•]
<b>Total</b>		<b>11,57,486</b>	<b>100.00%</b>	<b>[•]</b>

- iv. Set forth below is a list of shareholders holding 1% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, and the number of Equity Shares held by them, as of one year prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Equity Shareholders	No. of Equity Shares	% of Pre- Issue Equity Share Capital	% of Post-Issue Equity Share Capital
1.	Harshiel Agarwal	2,20,800	19.08%	[•]
2.	Puspa Agarwal	59,000	5.10%	[•]
3.	Sweta Agarwal	6,14,000	53.05%	[•]
4.	Rajesh Agarwal	49,520	4.28%	[•]
5.	Deepak Kumar Gupta	71,666	6.19%	[•]
6.	Arti Devi	61,200	5.29%	[•]
7.	Ajay Kumar Jha	42,300	3.65%	[•]
8.	Kodiyil Sivan Pillai	39,000	3.37%	[•]
<b>Total</b>		<b>11,57,486</b>	<b>100.00%</b>	<b>[•]</b>

- v. Set forth below is a list of shareholders holding 1% or more of the paid –up Equity Share capital of our Company, on a fully diluted basis, and the number of Equity Shares held by them, as of 10 (ten) days prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Equity Shareholders	No. of Equity Shares	% of Pre- Issue Equity Share Capital	% of Post-Issue Equity Share Capital
1.	Sweta Agarwal	69,03,180	52.08%	[•]
2.	Harshiel Agarwal	35,14,194	26.51%	[•]
3.	Abbas Presswala	13,42,494	10.13%	[•]
4.	Vipul Desai	1,35,000	1.02%	[•]
5.	Jagruti Desai	1,35,000	1.02%	[•]
<b>Total</b>		<b>1,20,29,868</b>	<b>90.76%</b>	<b>[•]</b>

vi. The Company has not made any initial public offering of specified securities in the preceding 2 (two) years.

10. Our Company has not made any public Issue (including any rights issue to the public) since its incorporation.
11. Our Company does not intend or propose to alter our capital structure within a period of six (6) months from the date of opening of the by way of split/consolidation of the denomination of Equity Shares or further Issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise., except that if our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares 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.
12. As on the date of the Draft Red Herring Prospectus, the Company has 30 (thirty) equity shareholders.
13. **Build-up of Promoters' shareholding in our Company:**

i. History of Equity Share capital held by our Promoters:

As on the date of this Draft Red Herring Prospectus, our Promoters hold 1,17,59,868 Equity Shares, constituting 88.73% of the issued, subscribed and paid-up Equity Share capital of our Company. The build-up of shareholding of Promoters since incorporation is as follows:

#### Sweta Agarwal

Date of Allotment / Transfer and Date when made Fully Paid up	No. of Equity Shares Allotted/ Transferred	Face Value per Equity Share (in Rs.)	Issue/ Acquisition/ Transfer Price per Equity Share (in Rs.)	Consideration	Nature of Transaction	% of Pre- Issue Paid up Capital	% of Post- Issue Paid up Capital
March 30, 2011	15,000	10	10	Cash	Further Issue	0.11%	[•]
December 23, 2013	32,000	10	10	Cash	Transfer <sup>(1)</sup>	0.24%	[•]
March 15, 2022	1,25,000	10	10	Cash	Transfer <sup>(2)</sup>	0.94%	[•]
April 24, 2022	4,42,000	10	10	Cash	Transfer <sup>(3)</sup>	3.33%	[•]
March 31, 2024	49,12,000	10	NA	Other than Cash	Bonus Issue	37.06%	[•]
October 30, 2024	13,77,180	10	NA	Other than Cash	Transfer (Gift) <sup>(4)</sup>	10.39%	[•]
<b>Total</b>	<b>69,03,180</b>					<b>52.08%</b>	<b>[•]</b>

<sup>(1)</sup> Transfer from Vikash Sharma

(2) Transfer from S Gopal Krishnan (23,500 Equity Shares), Deepak Kumar Gupta (26,500 Equity Shares), Arti Devi (25,000 Equity Shares) and Ajay Kumar Jha (50,000 Equity Shares)

(3) Transfer from Rajesh Agarwal (3,80,000 Equity Shares) and Suresh Agarwal (62,000 Equity Shares)

(4) Transfer from Rajesh Agarwal

#### Harshiel Agarwal

Date of Allotment / Transfer and Date when made Fully Paid up	No. of Equity Shares Allotted/ Transferred	Face Value per Equity Share (in Rs.)	Issue/ Acquisition/ Transfer Price per Equity Share (in Rs.)	Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post-Issue Paid up Capital
December 07, 2023	2,20,800	10	NA	Other than Cash	Gift <sup>(1)</sup>	1.67%	[•]
March 05, 2024	1,10,666	10	47	Cash	Transfer <sup>(2)</sup>	0.83%	[•]
March 31, 2024	26,51,728	10	NA	Other than Cash	Bonus Issue	20.01%	[•]
November 13, 2014	5,31,000	10	NA	Other than Cash	Transfer (Gift) <sup>(3)</sup>	4.01%	[•]
<b>Total</b>	<b>35,14,194</b>					<b>26.51%</b>	<b>[•]</b>

(1) Transfer from Amisha Agarwal

(2) Transfer from Deepak Kumar Gupta (71,666 Equity Shares) and Kodiyil Sivan Pillai (39,000 Equity Shares)

(3) Transfer from Puspa Agarwal

#### Abbas Presswala

Date of Allotment / Transfer and Date when made Fully Paid up	No. of Equity Shares Allotted/ Transferred	Face Value per Equity Share (in Rs.)	Issue/ Acquisition/ Transfer Price per Equity Share (in Rs.)	Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post-Issue Paid up Capital
March 28, 2024	1,49,166	10	50	Cash	Further Issue	1.13%	[•]
March 31, 2024	11,93,328	10	NA	Other than Cash	Bonus Issue	9.00%	[•]
<b>Total</b>	<b>13,42,494</b>					<b>10.13%</b>	<b>[•]</b>

14. All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment of such Equity Shares.

15. None of the Equity Shares held by our Promoters are pledged.

#### 11. Details of Shareholding of our Promoters and members of Promoter Group in the Company

The following is the Equity shareholding of our Promoter and Promoter Group as of the date of filing this Draft Red Herring Prospectus:

Sr. No.	Category	No. of Shares held	% of Pre-Issue Equity Shares	% of Post- Issue Equity Shares
	<b>Promoter</b>			
1.	Sweta Agarwal	69,03,180	52.08%	[•]
2.	Harshiel Agarwal	35,14,194	26.51%	[•]

Sr. No.	Category	No. of Shares held	% of Pre-Issue Equity Shares	% of Post- Issue Equity Shares
3.	Abbas Presswala	13,42,494	10.13%	[•]
	<b>Promoter Group</b>			
4.	Samar Agarwal	45,000	0.34%	[•]
5.	Piyush Rajgaria	45,000	0.34%	[•]
<b>Total</b>		<b>1,18,49,868</b>	<b>89.41%</b>	<b>[•]</b>

12. Except as mentioned below, no Equity Shares were purchased or sold by the promoter group of the Company and/or by the directors of the Company and their relatives in the preceding 6 (six) months from the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	Date of Transaction	Promoter/ Promoter Group/ Director	No. of Equity purchased/ (sold)	Nature of Transaction
1.	Sweta Agarwal	October 30, 2024	Promoter, Chairman & Managing Director	13,77,180	Transfer from Rajesh Agarwal (Gift)
2.	Harshiel Agarwal	November 13, 2014	Promoter & Non-Executive Director	5,31,000	Transfer from Puspa Agarwal (Gift)
3.	Rajesh Agarwal	October 30, 2024	Promoter Group	(13,77,180)	Transfer to Sweta Agarwal (Gift)
4.	Puspa Agarwal	November 13, 2014	Promoter Group	(5,31,000)	Transfer to Harshiel Agarwal (Gift)

13. None of our Promoters, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus.

14. **Promoters' contribution and lock-in**

*Details of Promoters' contribution locked in for 3 (three) years:*

Pursuant to Regulations 236 and 238 of the SEBI ICDR Regulations, an aggregate of 20% of the post-Issue Equity Share capital, of our Company as on the date of this Draft Red Herring Prospectus, shall be locked in for a period of 3 (three) years from the date of Allotment as minimum Promoter's contribution ("**Minimum Promoter's Contribution**") and the shareholding of the Promoters in excess of 20% of the fully diluted post-Issue Equity Share capital shall be locked in for a period of 1 (one) year from the date of Allotment. As on date of this Draft Red Herring Prospectus, our Promoters holds 1,17,59,868 Equity Shares constituting 88.73% of the Post Issued, Subscribed and Paid-up Equity Share Capital of our Company, out of which 55,26,000 equity shares are eligible for Promoter's Contribution.

The Equity Shares which are being locked in for 3 (three) years from the date of Allotment are as follows:

Promoters	No. of Equity Shares Locked in	Face Value per Equity Share (in ₹)	Issue/ Acquisition Price per Equity Share (in ₹)	Date of Allotment/ Acquisition and when made fully paid-up*	Nature of Allotment/ Transfer	Consideration (Cash/other than cash)	Percentage of post-Issue paid-up capital
Sweta Agarwal	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total</b>	<b>[•]</b>	<b>[•]</b>	<b>[•]</b>	<b>[•]</b>	<b>[•]</b>	<b>[•]</b>	<b>[•]</b>

Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoters' contribution in terms of Regulation 237 of the SEBI ICDR Regulations. For details of the build-up of the share capital held by our Promoters, see '*Details of Shareholding of our Promoters, members of the Promoter Group in the Company*' on page no. 79 of this Draft Red Herring Prospectus.

Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Issue Equity Share capital of our Company as the Minimum Promoters' Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Minimum Promoters' Contribution from the date of filing of this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

Eligibility of Share for “*Minimum Promoters Contribution*” in terms of clauses of Regulation 237(1) of SEBI (ICDR) Regulations, 2018

<b>Regulation No.</b>	<b>Criteria for securities ineligible for Minimum Promoter's Contribution</b>	<b>Eligibility Status of Equity Shares forming part of Promoter's Contribution</b>
237(1)(a)(i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such Transaction	The minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b>
237(1)(a)(ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoters' contribution	The minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b>
237(1)(b)	Specified securities acquired by promoters during the preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer	The minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b>
237(1)(c)	Specified securities allotted to promoters 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, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management: Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible	Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm. <b><u>Hence not applicable.</u></b>
237(1)(d)	Specified securities pledged with any creditor.	Our Promoters have not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b>

***Details of Promoters' contribution locked in for 1 (one) year and 2 (two) years***

In terms of Regulation 238(b) of the SEBI (ICDR) Regulations, 2018 and in compliance with additional eligibility criteria for in principle approval for listing on BSE SME in accordance with press release dt 18/12/24 of 208th SEBI Board meeting on “Review of SME framework under SEBI (ICDR) Regulations, 2018, and applicability of corporate governance provisions under SEBI (LODR) Regulations, 2015 on SME companies”, lock-in on promoters' holding held in excess of minimum promoter contribution (MPC) to be released in phased manner i.e. lock-in for 50% promoters' holding in excess of MPC shall be released after 1 year and lock-in for remaining 50% promoters' holding in excess of MPC shall be released after 2 years.

***Details of Lock-in of Equity Shares held by persons other than Promoters for 1 (one) year***

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue equity share capital held

by persons other than the promoters shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, the Equity Shares which are subject to lock-in shall carry inscription '**non-transferable**' along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

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

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoters can be pledged with any scheduled commercial bank or public financial institution or systematically important non-banking finance company or a housing finance company as collateral security for loans granted by them, provided that:

- i. if the equity shares are locked-in in terms of clause (a) of Regulation 238, the loan has been granted to the company or its subsidiary(ies) for the purpose of financing one or more of the objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan;
- ii. if the specified securities are locked-in in terms of clause (b) of Regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

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

#### **Transferability of Locked in Equity Shares**

- i. Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 238 of the SEBI ICDR Regulations, may be transferred to and amongst our Promoters/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.
- ii. Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.

15. This is a fresh issue of Equity Shares and accordingly, no selling shareholders are involved in this Issue.

16. Equity Shareholding of Directors, Senior Managerial Personnel (SMP) and Key Managerial Personnel (KMP) in our Company:

<b>Sr. No.</b>	<b>Shareholder</b>	<b>Designation</b>	<b>No. of Equity Shares held</b>	<b>% of Pre-Issue Equity Share Capital</b>	<b>% of Post-Issue Equity Share Capital</b>
1.	Sweta Agarwal	Chairman & Managing Director	69,03,180	52.08%	[•]
2.	Harshiel Agarwal	Non-Executive Director	35,14,194	26.51%	[•]
3.	Abbas Presswala	SMP	13,42,494	10.13%	[•]
4.	Vipul Desai	SMP	1,35,000	1.02%	[•]
<b>Total</b>			<b>1,18,94,868</b>	<b>89.75%</b>	<b>[•]</b>

17. Our Company, our Promoters, our Directors and the BRLM have not entered into buyback arrangements and / or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.

18. There are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus and all Equity Shares were fully paid up as on the date of allotment. The Equity Shares to be issued or transferred pursuant to the Issue shall be full paid up at the time of allotment.

19. Neither the BRLM viz. BOI Merchant Bankers Limited nor its associates (as defined under the SEBI (Merchant Bankers) Regulations, 1992) hold any Equity Shares of our Company as on the date of this Draft Red Herring Prospectus. However, the associates and affiliates of BRLM and the Syndicate Members, if any may subscribe to the Issue, in the Non-Institutional Portion, and such subscription may be on their own account or on behalf of their clients.
20. No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, our Promoters, the members of our Promoter Group or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.
21. There 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 filing of the Draft Red Herring Prospectus with Stock Exchange until the Equity Shares have been listed on the Stock Exchanges or the application moneys have been refunded to the Anchor Investors or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription, etc., as the case may be.
22. All Equity Shares of the Company held by the Promoters are in dematerialized form.
23. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into Equity Shares as on the date of this Draft Red Herring Prospectus.
24. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under '*Basis of Allotment*' in the chapter titled '*Issue Procedure*' beginning on page no. 289 of this Draft Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253(2) of SEBI ICDR Regulations, as amended from time to time.
25. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Net 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 Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
26. Subject to valid applications being received at or above the Issue 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 Book Running 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.
27. All transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Issue shall be reported to the Stock Exchanges within 24 hours of such transactions.
28. The Promoters and members of our Promoter Group will not participate in this Issue and will not receive any proceeds from the Issue.
29. At any given time, there shall be only one denomination of the Equity Shares of our Company, unless otherwise permitted by law.

## SECTION V: PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Issue comprises of fresh Issue of Equity Shares by our Company and there is no offer for sale by any of the existing shareholders.

#### Appraising Agency

None of the objects of the Issue for which the Net Proceeds will be utilized have been appraised by any external agency or any bank/financial institution except estimated cost of additional building construction of Unit 2 as verified by Architect & Consultant Engineer, S D & Associates vide certificate dated December 20, 2024 based on cost estimate dated August 1, 2024 from Shree Salasar Infra, Building Construction Contractor and cost of plant and machineries proposed to be purchased are based on quotations/proforma invoices from respective suppliers.

#### Objects of the Issue

The net proceeds of the Fresh Issue, i.e., gross proceeds of the Fresh Issue less the issue expenses (“**Net Proceeds**”) are to be utilized in the following manner:

1. To part finance the cost of establishing of new manufacturing facility at Survey No. 74 & 75/1, Village Amane, Opp. Toll Warehouse Amane, Near Indian Oil Petrol Pump, Bhiwandi – 421302 Dist. Thane, Maharashtra (“**Proposed Capex**”);
  2. Repayment/ prepayment, in full or part, of certain borrowings availed by our Company;
  3. Enhancing Working Capital Requirement of our company (including that of Paper Packaging segment); and
  4. General Corporate Purpose (“GCP”)
- (collectively referred to herein as “**Objects**”)

In addition to the aforementioned Objects, our Company will receive the benefits of listing of its Equity Shares on the Stock Exchanges such as broad base our shareholders base, improvement in Debt-to-Equity Ratio thereby improving ability of our company for availing bank financing in future.

The main objects and the other objects of the MoA enables our Company (i) to undertake our existing business activities; (ii) to undertake activities for which funds are being raised; and (iii) the purposes for which the funds earmarked towards general corporate purposes shall be used.

#### Net Proceeds

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

Particulars	Amount (in Lakhs) <sup>(1)</sup>
Gross proceeds from the Issue	[•]
Less: Issue related Expenses	[•]
Net Proceeds	[•]

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

#### Deployment of funds and schedule of implementation

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

(Rs. in Lakhs)

Particulars	Total estimated amount/ expenditure (A)	Total amount spent on the Objects as of January 31, 2024 (B)	Balance amount to be incurred (C=A-B)	Estimated to be utilized from our sources <sup>(2)</sup>	Estimated utilization from Net Proceeds <sup>(3)</sup>	Year wise break-up of the expenditure	
						FY 2025	FY 2026
Part finance of the new manufacturing facility							



Particulars	Total estimated amount/ expenditure (A)	Total amount spent on the Objects as of January 31, 2024 (B)	Balance amount to be incurred (C=A-B)	Estimated to be utilized from our sources <sup>(2)</sup>	Estimated utilization from Net Proceeds <sup>(3)</sup>	Year wise break-up of the expenditure	
						FY 2025	FY 2026
- Factory Building Construction Cost	1,242.00	-- <sup>(4)</sup>	1,242.00	[•]	[•]	[•]	[•]
- Machinery Cost	1,843.02	600.49 <sup>(1)</sup>	1,242.53	[•]	[•]	[•]	[•]
Part/ full repayment of Term Loan	530.34	--	530.34	0.34	530.00	530.00	--
Working Capital Requirement	3,067.75	367.96	2,699.79	[•]	[•]	[•]	[•]
General Corporate Purpose <sup>(4)</sup>	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total</b>	<b>[•]</b>	<b>[•]</b>	<b>[•]</b>	<b>[•]</b>	<b>[•]</b>	<b>[•]</b>	<b>[•]</b>

<sup>(1)</sup> As certified by SKVM and Company, Chartered Accountants, our Statutory Auditors, by way of their certificate dated February 13, 2025.

<sup>(2)</sup> To be sourced from Internal accruals from business operations

<sup>(3)</sup> To be finalized upon determination of the Issue Price and to be updated in the Prospectus prior to filing with the RoC.

<sup>(4)</sup> As on January 31, 2024, a sum of Rs. 276.00 lakh is outstanding as certified by SKVM and Company, Chartered Accountants, our Statutory Auditors, by way of their certificate dated February 13, 2025, towards our contractor Shree Salasar Infra for the completed portion of factory building construction; however, the entire amount is yet to be paid and the same is to be paid from internal accruals.

<sup>(5)</sup> The amount to be utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

Amount under-utilized to the extent of any reduction in the amount required for part/ full repayment of term loan identified will be utilized for Margin for working capital requirement as our Company shall utilize internal accruals to repay the regular instalments of these term loans, which otherwise would have been utilized for meeting working capital requirement.

#### Schedule of Implementation

The schedule of implementation of the Proposed Capex is set forth below:

Particulars	Estimated date of commencement	Estimated date of completion
Land and Site Development	-	Completed
Building Construction & Civil Work	August 2024	April 2025
Purchase & Installation of Plant & Machinery	August 2024	March 2025
Utilities (Power connection and Bore-well)	-	August 2024 (Completed)
Commercial Production	-	*May 2025

\* Expected competition date for total estimated capex. Partial commercial operations has started in December 2024 for Paper Packaging segment on the basis of installation of two machine already installed in November 2024 and further one machine is in transit and expected to be commissioned by end of February 2025.

Our Company shall not recoup any cost spent towards the Proposed Capex from the Net Proceeds.

In the event the Net Proceeds are not completely utilized for the Objects during the respective periods mentioned above in "Deployment of funds and Schedule of Implementation", due to factors such as economic or business conditions or market conditions outside the control of our Company, the remaining Net Proceeds shall be utilized (in part or full) in subsequent periods as may be determined by our Company, in accordance with compliance of

applicable laws. Further, capital expenditure towards the stated Objects may also be accelerated, due to early completion of various activities mentioned in this section.

The deployment of funds indicated above is based on management estimates, current circumstances of our business, valid cost estimates/ quotations received from independent architect/ respective machinery suppliers/ third parties, commercial and technical factors, prevailing market conditions, which are subject to change. Further, the deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. We may have to revise our funding requirements and deployment of the Net Proceeds from time to time on account of various factors, such as financial and market conditions, business and strategy and other external factors, which may not be within the control of our management. This may entail changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. See “*Risk Factors*” on page no. 27 of this Draft Red Herring Prospectus.

Subject to applicable laws, in the event of any increase in the actual requirement of funds earmarked for the purposes set forth above, such additional fund requirement will be met by way of any means available to us, including from internal accruals and seeking additional debt from existing and/or future lenders.

### **Means of finance**

Apart from the amounts already incurred from internal accruals and proceeds from further allotment dated November 19, 2024, the balance amount to be spent on the Objects shall be financed from the Net Proceeds, existing identifiable internal accruals and existing debt financing (only to the extent of working capital finance to meet the enhanced working capital requirement of our Company). Therefore, the requirements under Regulation 230(1)(e) of the SEBI ICDR Regulations to make firm arrangements through verifiable means of the stated means of finance are not applicable to this Issue.

### **Details of Objects of the Issue**

#### **I. Proposing to part finance the cost of establishing of a new manufacturing facility at Survey No. 74 & 75/1, Village Amne, Opp. Toll Warehouse Amne, Near Indian Oil Petrol Pump, Bhiwandi – 421302 Dist. Thane, Maharashtra (“Proposed Capex”)**

Our Company proposes to utilize ₹ 3,085.02 Lakhs towards (i) additional civil construction of factory building of Unit II and (ii) purchase and installation of plant & machinery for proposed Paper Packaging segment at its new unit at Survey No. 74 & 75/1, Village Amane, Opp. Toll Warehouse Amane, Near Indian Oil Petrol Pump, Bhiwandi – 421302 Dist. Thane, Maharashtra, beside its existing manufacturing unit (Unit 1). In order to accommodate the future growth requirements of our Company, our Promoters has purchased land admeasuring 7934 sq mtrs adjacent to existing manufacturing facility. The said factory land is taken on long term lease by our Company vide registered lease agreement dated January 28, 2025 with Mrs. Sweta Agarwal and Mr. Harshiel Agarwal. As per terms of the lease agreement, no upfront amount is payable by Company to owners and only annual rent of Rs. 6.00 lakhs, shall be payable by our Company.

Our Company’s business is currently segregated into (i) Notebook/ Back-to-School Paper Stationery segment, (ii) Commercial Printing and (iii) Paper Packaging segment. We are operating from our manufacturing facility with warehouse situated at Survey No. 53/29, 75/2, 77/5, Village Amane, Opp. Toll Warehouse Amane, Near Indian Oil Petrol Pump, Bhiwandi – 421302 Dist. Thane, Maharashtra (herein after referred as “Unit 1”). Our Company ventured into new business segment namely Commercial Printing in April 2021. Since then, we have successfully expanded our business in Commercial Printing segment over a period of more than 2 years by adding new clients and also installed new machineries to execute the orders from the clients. Existing manufacturing facility (“Unit 1”) was over-crowded with the plant and machinery required to run Notebook/ Back-to-School Paper Stationery and Commercial Printing segment. Further, increase in customer base in Commercial Printing segment required additional machinery set-up and storage space. Hence, our Company started establishing the new manufacturing facility (“Unit 2”) in February 2024 with built-up area of 81,000 sq. ft. by availing term loan finance from HDFC Bank. Our company obtained sanction of factory building plan with total built-up area of 14,035 sq. mt. (equivalent to 1,51,075 sq. ft.) to be spread across G+2 construction from Town Planning Department vide No. NA/Drawing/BP/Village Amane/Tal. Bhiwandi/S.S. Thane/5643 dated July 4, 2023 and started construction work basis N.A.-cum-Commencement Certificate No. Mahsul/DIVI-1/T-8/BP/Amene-Bhiwandi/SR-57/2022 dated November 30, 2023.

Upon conceiving the idea of third business segment i.e. Paper Packaging, our Company decided to extend the construction of Unit 2 for additional built-up area of 54,000 sq. ft. as per the pre-construction agreement with the contractor Shree Salasar Infra, thereby making Unit 2 with total built-up area of 1,35,000 sq. ft. The cost of additional construction involving total construction area measuring 54,000 sq. ft. of Unit 2 and cost of machinery to be purchased and installed for Paper Packaging segment are included in the Objects of the Issue and proposed to be part finance it from the Net Proceeds of the Issue.

No component of the Net Proceeds is proposed to be utilized for land acquisition as well as installation of utilities such as power transformer, electricity connection and bore-well from the Net Proceeds.

The aggregate land parcels measuring 7,934 sq. mt. on which the new manufacturing facility (Unit 2) is being set-up, is owned by our Promoters, have clear title to the respective land parcels and our Company has received all approvals in relation to industrial use of the land. These land and factory building thereon is mortgage to HDFC Bank to secure the credit facilities availed by our Company along with personal guarantees of the owners of the land. There are certain approvals including consent-to-operate of the Unit 2 that are pending from regulatory or statutory authorities. For details of such approvals and the stages at which such approvals are required, see "Government Approvals" on page no. 256 Draft Red Herring Prospectus.

We have identified/ finalized the plant and machineries required for Paper Packaging segment and negotiated price with the seller for second hand machineries/ new machineries and have obtained quotations / proforma invoices. Total cost estimated towards plant and machineries is Rs. 1843.02 lakh.

#### **Total estimated cost of the Proposed Capex**

The total estimated cost to establish the Paper Packaging Segment in Unit 2 is ₹ 3,085.02 Lakhs, as estimated by our management, which is based on cost estimation certificate for additional building construction from Shree Salasar Infra dated August 1, 2024, contractor for factory building vide contract dated August 5, 2024 and negotiated / quoted price for second-hand and new machineries from respective suppliers, respectively. Estimated cost of construction has been verified by Architect & Consulting Engineer S D & Associates pursuant to certificate dated December 20, 2024. Of this cost, ₹ 10.00 Lakhs shall be utilized from the Net Proceeds.

The detailed break-down of estimated cost of the Proposed Capex, is set forth below:

(Rs. In Lakhs )				
<b>Particulars</b>	<b>Total estimated cost</b>	<b>Amount Deployed as of January 31, 2024<sup>(2)</sup></b>	<b>Amount to be funded from Internal Accruals</b>	<b>Balance amount Proposed to be fund from Issue Proceeds</b>
Land & Site Development	-	-	-	-
Building Construction & Civil Work	1,242.00	-( <sup>1</sup> )	[•]	[•]
Purchase & Installation of Plant & Machinery	1,843.02	600.49	[•]	[•]
Utilities	-	-	-	-
<b>Total</b>	<b>3,085.02</b>	<b>600.49</b>	<b>[•]</b>	<b>[•]</b>

<sup>(1)</sup> As on January 31, 2024, a sum of Rs. 276.00 lakh is outstanding as certified by SKVM and Company, Chartered Accountants, our Statutory Auditors, by way of their certificate dated February 13, 2025, towards our contractor Shree Salasar Infra for the completed portion of factory building construction; however, the entire amount is yet to be paid and the same is to be paid from internal accruals.

<sup>(2)</sup> As certified by SKVM and Company, Chartered Accountants, our Statutory Auditors, by way of their certificate dated February 13, 2025.

#### **Details of cost of the Proposed Capex**

Since land has already been taken on lease by our Company, the following analysis does not factor in cost of land. A detailed break-up of the estimated cost (except cost of land) of establishing the Proposed Capex is set forth below:

1. *Building construction and civil work:*

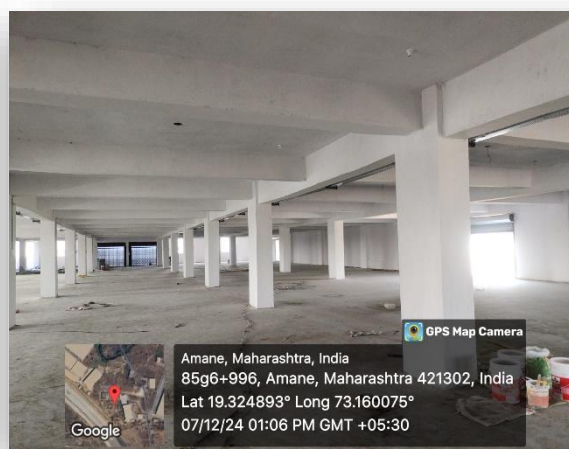
Additional Construction of area of 54,000 sq. ft. for which part of the net proceeds shall be used, include ground floor + first floor & second floor with R.C.C. Columns, Beams, Brickwork, Internal Single Coat Sand Faced Plaster and External Double Coat Plaster, Kota Flooring, Painting and 1 No. Shutter in each gala, 2 Nos. of Windows with Sliding Section in each gala etc. 1 No. of O.H. RCC Tank, Septic Tank, Platform, Complete as per EIC on 2nd Floor above Staircase, RCC Lift Pardi, 1 No. of Bathroom on Each Floor, etc.

The total estimated cost for said construction is ₹ 1,242.00 Lakhs (including GST), as per the Floor wise Cost Estimates received from Shree Salasar Infra, dated August 01, 2024. The details are given as under:

Particulars	Area of construction (sq. ft.)	Rate (Rs. Per sq. ft.)	Total (Rs. In lakh)
Ground Floor	18,000	2500	450.00
First Floor	18,000	2300	414.00
Second Floor	18,000	2100	378.00
<b>Total</b>	<b>54,000</b>		<b>1,242.00</b>

Our Company has already commenced additional construction of G+2 floors and have executed construction contract with the civil contractor namely Shree Salasar Infra as per contract dated August 5, 2024. As per certificate dated December 20, 2024 issued by S D & Associates, out of 54,000 sq. ft. construction work for around 12,000 sq ft is almost completed and for balance 42,000 sq ft is under construction (up to plinth level is completed).

As on December 31, 2024, a sum of Rs. 276.00 lakh is outstanding towards our contractor Shree Salasar Infra for the completed portion of factory building construction; however, the entire amount is yet to be paid as per CA certificated dated February 13, 2025 from SKVM and Company and the same is to be paid from internal accruals. The construction of balance area is expected to be completed in May 2025.



2. Purchase & Installation of Plant & Machinery

Our Company has identified following plant and machineries for Paper Packaging segment:

Sr. No.	Machine Name	Value (Rs. In lakhs)	Qty	Amount (Rs. In lakhs)	New / Old	Vendor Name	Purchased (Y/N)
1.	ONE 2003 KBA RA 105-6+L SW1PWVA Sheet Fed Offset Printing Machine, Serial Number 364289 With All Standard Accessories Tools And All Available Extra Rollers And Spares	307.85*	1	307.85	Old	Fuzer LLC	Y (In transit)
2.	KBA RA 104- 6 + LX (6 Colour Machine)	147.50	1	147.50	Old	QOT Packaging	Y
3.	BOBST SP 106 DIE PUNCHING	145.29	1	145.29	Old	M/s Shina Enterprise	Y
4.	KBA RA 74 - 5 + L CX ALV2 (Interdeck UV, Raised Height, Packaging)	324.50	1	324.50	Old	QOT Packaging	N
5.	Condot 4 Contoller Inkjet with 2 Heads	88.50	2	177.00	Old	QOT Packaging'	N
6.	Ultracoat FST 1040	76.70	1	76.70	New	QOT Packaging'	N
7.	BOBST SE 102 DIE PUNCHING	123.90	1	123.90	Old	V K International	N
8.	DGM Smartfold 1100 SL (4 & 6 corner) + Gpack + Lockbottom Guns (KQ)	159.30	1	159.30	New	V K International	N
9.	Bobst Farma 36 + Lockbottom Guns (HHS)	100.30	1	100.30	New	V K International	N
10.	42" Corrugation E Flute + Reel Stand + PLC Cutter	29.50	1	29.50	NEW	QOT Packaging'	N
11.	52" Corrugation NF + Reel Stand + Gear Cutter	53.10	1	53.10	NEW	QOT Packaging'	N
12.	Meiguang Flute Laminator	17.70	1	17.70	New	QOT Packaging'	N
13.	Rotary Creasing 85"	21.24	1	21.24	New	QOT Packaging'	N
14.	Rotary Creasing 65"	27.14	1	27.14	New	QOT Packaging'	N
15.	Slotter	16.52	1	16.52	New	QOT Packaging'	N
16.	Liner Pasting - Big	14.75	1	14.75	New	QOT Packaging'	N
17.	Liner Pasting - Small	10.21	1	10.21	New	QOT Packaging'	N
18.	Manual Punching 36 x 46	14.75	1	14.75	New	QOT Packaging'	N
19.	Manual Punching 25 x 36	11.21	1	11.21	New	QOT Packaging'	N
20.	Manual Stamp Foiling 40"	13.57	1	13.57	New	QOT Packaging'	N
21.	Lamination - 42"	8.85	1	8.85	New'	QOT Packaging'	N
-	Installation cost	42.15	-	42.15	-	-	-

Sr. No.	Machine Name	Value (Rs. In lakhs)	Qty	Amount (Rs. In lakhs)	New / Old	Vendor Name	Purchased (Y/N)
	<b>Total</b>			<b>1843.02</b>			

\* Machinery mention in point no. 1 is imported with base value of USD 2,85,000. The balance amount includes Custom duty. The same is converted to INR at conversion rate Rs. 84 USD.

Machineries yet to be purchased are through indigenously sources only.

Above costs are inclusive of applicable GST @ 18%.

We have already purchased machinery mentioned in point no. 1, 2 and 3 and incurred amount of Rs. 600.49 lakh, of which machine mentioned in point no. 1 is still in transit and yet to be installed. Further, the funds already paid are sourced from internal accruals and proceeds from further allotment dated November 19, 2024 certified by SKVM and Company, Chartered Accountants, our Statutory Auditors, by way of their certificate dated February 13, 2025.

Residual useful life of the second-hand machinery installed is ascertained to be in the range of 15 to 20 years as certified by the R D Ashtaputre & Associates, Chartered Engineer dated December 23, 2024.

### 3. Utilities

The existing power connection arrangement is sufficient to meet the power requirement of the machineries to be installed in Unit 2. Currently, our Company has one power connection in the name of our Promoter Sweta Agarwal with sanctioned load of 210 Hp from Torrent Power Company Ltd. and further we have already applied for second connection to Torrent Power Company Ltd. vide application no 7131406006 dated December 6, 2024 for sanction of load of 210 Hp.

There is no water or any other fuel is required during the manufacturing process. Existing Bore-well is sufficient to meet the water requirement of the Unit 2.

Thus, the expenses for utilities are not included in Object of the Issue.

### **Other confirmations**

All quotations mentioned in this section are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendor would be engaged to eventually supply the equipment at the same costs. Further, for risk arising out of the Objects, see "Risk Factor No. 7 - We intend to utilize a portion of the Net Proceeds for funding our capital expenditure requirements. This includes part financing the proposed Capex, which may be subject to the risk of unanticipated delays in implementation (time overrun), cost overruns and other risks and uncertainties. Further, the objects of the Offer includes orders for plant and machinery which have not yet been placed. There can be no assurance that we would be able to procure equipment at the estimated costs. If we engage someone other than the vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor's estimates and actual costs for the services may differ from the current estimates. Some of the quotations mentioned above do not include cost of freight, insurance, goods and services tax (wherever applicable) and other applicable taxes as these can be determined only at the time of placing of orders. Such additional costs shall be funded from the Net Proceeds allocated towards general corporate purposes or through contingencies, if required. In case of increase in the estimated costs, such additional costs shall be incurred from our internal accruals.

None of the vendors/sellers from whom we have procured quotations are related or connected to our Company, Promoters, Promoter Group, Subsidiaries, Directors, Key Managerial Personnel and Senior Management. Our Promoters, Promoter Group, Directors, Key Managerial Personnel and Senior Management Personnel do not have any interest in the proposed additional construction of building and civil works.

## Government Approvals for Unit 2

In relation to the new manufacturing facility, we are required to obtain approvals, which are routine in nature, from certain government departments or local authorities. For further details refer chapter titled 'Government and Other Statutory Approvals' on page no. 256 of this Draft Red Herring Prospectus.

## Infrastructure facilities and utilities in Unit II

### Water

Water shall be sourced through one bore-well already available in the factory land of Unit II for the domestic use and potable purpose. No water is required for the production process.

### Power

Our Company has one power connections with sanctioned load of 210 Hp from power discom namely Torrent Power Company Ltd in the name of Sweta Agarwal, our Promoter. Company has further applied for an additional Electricity connection for sanctioned load of 210 Hp for Unit 2 from Torrent Power Company Ltd. vide application no 7131406006 dated December 6, 2024. The existing power connection arrangement is sufficient to meet the power requirement of the machineries to be installed on ground and first floors of Unit 2.

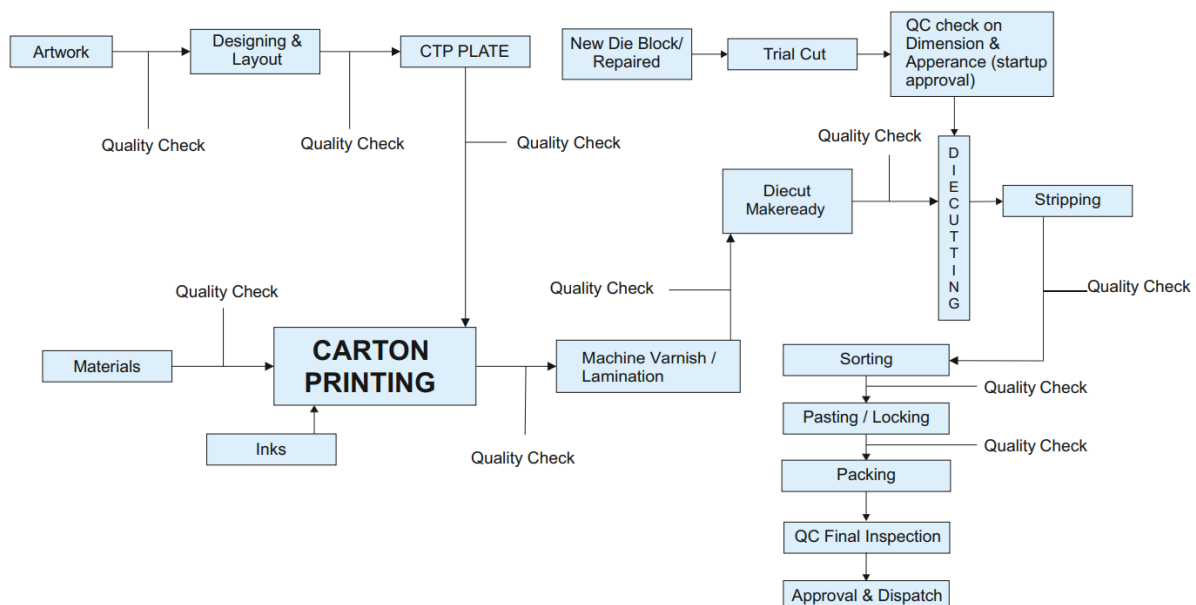
The expenses for utilities are not included in Object of the Issue as the same were part of cost of project for which part finance in the form of term loan of Rs. 2,400.00 lakh was availed by the Company from HDFC Bank.

Currently, there is no separate Diesel Generator Set proposed for power back up in the Unit 2.

## Raw Materials

The basic raw materials for manufacturing are paper reels and other consumables such as printing ink of different colours, sheets/ films for lamination, glue, etc. Majority of these raw materials, we are already using for Notebook/Back-to-School Paper stationery and Commercial Printing Segment in the Unit I and are easily available indigenously in abundance and there is no scarcity of the materials. The materials can however be imported and there are no restrictions whatsoever on these. As per the extant Import-Export Policy of India 2019-2024, these materials are not under negative list i.e. these can be imported freely.

Manufacturing process for Paper Packaging segment product:



## **I. Repayment/ prepayment, in full or part, of certain borrowings availed by our Company**

Our Company has entered into various financial arrangements from time to time, with banks and financial institutions. The loan facilities availed by our Company include borrowings in the form of, inter alia, term loans and working capital facilities including fund based and non-fund-based borrowings. As at August 31, 2024, our total fund based outstanding borrowings (unsecured borrowings raised from NBFCs) amounted to ₹ 669.74 lakhs excluding outstanding of term loans from HDFC Bank & Citi Bank, Vehicle Loans and working capital credit facilities from HDFC Bank and Shriram Finance. For further details on our borrowings, see “*Financial Indebtedness*” on page no. 231 of this Draft Red Herring Prospectus. Our Company proposes to utilize an estimated amount of ₹ 530.00 lakhs from the Net Proceeds towards full or partial repayment or pre-payment of certain borrowings i.e. term loans availed by our Company. Our Company may avail further loans and/or draw down further funds under existing loans from time to time.

The selection of borrowings proposed to be repaid/pre-paid amongst our borrowing arrangements availed is based on various factors including (i) cost of borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil or obtain waiver for such requirements, and (iii) other commercial considerations including, among others, the amount of the loans outstanding and the residual tenor of the loan. However, the aggregate amount to be utilized from the Net Proceeds towards repayment or prepayment of borrowings (including refinanced or additional facilities availed, if any), in part or full, would not exceed ₹ 530.00 lakhs.

Given the nature of these borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under these borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of the existing borrowings prior to Allotment. Accordingly, our Company may utilize the Net Proceeds for part prepayment of any such refinanced facilities or repayment of any additional facilities obtained by our Company. However, the aggregate amount to be utilized from the Net Proceeds towards repayment and/or prepayment, in part or full, of certain borrowings (including refinanced or additional facilities availed, if any), would not exceed ₹ 530.00 lakhs.

We believe that such repayment and/or pre-payment will help reduce our outstanding indebtedness, high cost debts in particular, which will improve our profitability leading to improved debt servicing capabilities as well as debt to equity ratio and enable us utilization of accruals for further investment in our business growth and expansion. Additionally, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

*We are regularly repaying instalments of these loans on respective due dates out of internal accruals, which reduce outstanding balances of these debt facilities gradually. As on December 31, 2024, aggregate outstanding of debt facilities envisaged to be pre-paid, in part or full, is ₹ 600.28 lakhs. However, by the time IPO net proceeds will realize the actual outstanding may reduce below ₹ 530.00 lakhs. Hence, amount under-utilized to the extent of any reduction in the amount required for part/full repayment of term loans identified will be utilized for working capital requirement as our Company will utilize internal accruals to repay the regular instalments of the loans, which otherwise would have been utilized for meeting working capital requirement.*

## **II. Enhancing Working Capital Requirement**

Our business operations are working capital intensive. We fund the majority of our working capital requirements in the ordinary course of business from internal accruals and working capital financing from Banks/ NBFCs. As on August 31, 2024, the aggregate amount sanctioned by the Bank/ NBFC to our Company under the fund-based cash credit facilities amounted to ₹ 4,500.00 Lakhs. For details of facilities availed by us, see chapter titled “*Financial Indebtedness*” beginning on page no. 231 of this Draft Red Herring Prospectus. We propose to utilize ₹ [•] Lakhs from the Net Proceeds to fund the working capital requirements of our Company in Financial Year 2025 and/ or FY 2026.

Existing Working Capital requirements of our company during past 3 years and current year up to date of restated financial statements:



The details of our Company's working capital as at March 31, 2022, March 31, 2023, March 31, 2024 and August 31, 2024 derived from Restated Financial Statements, and source of funding of the same are provided in the table below:

(₹ in lakhs)

Sr. No.	Particulars	As of Aug 31, 2024	FY 2023-24	FY 2022-23	FY 2021-22
		Actual	Actual	Actual	Actual
<b>C.</b>	<b>Current Assets</b>				
	Investments				
	Inventories	3092.20	3443.48	2319.33	2507.51
	Trade receivables	5974.71	4754.72	1836.69	977.80
	Cash/Bank Balance	95.44	123.60	226.52	98.35
	Short term loan & advances	1067.63	462.11	327.88	455.27
	Other Current assets	0.00	237.09	421.83	0.00
	<b>Total Current assets (A)</b>	<b>10229.98</b>	<b>9021.00</b>	<b>4952.25</b>	<b>4038.93</b>
<b>D.</b>	<b>Current Liabilities</b>				
	Working Capital Limit	4236.82	2502.16	1501.15	1630.76
	Trade Payables	1385.90	888.22	969.79	737.40
	Other Current Liabilities	44.22	117.19	39.46	11.06
	Provision for Tax	306.79	123.65	26.65	30.02
	<b>Total Current Liabilities (B)</b>	<b>5973.73</b>	<b>3837.72</b>	<b>2537.05</b>	<b>2409.24</b>
	<b>Net Working Capital (A-B)</b>	<b>4256.25</b>	<b>5183.28</b>	<b>2415.20</b>	<b>1629.69</b>
	<b>Source Of Funding</b>				
	<b>Available Working Capital Limits</b>				
	Borrowings from NBFCs/ Internal Accruals / Unsecured Loans	4256.25	5183.28	2415.20	1629.69
	Private Placement of Equity Shares	-	-	-	-
	Proceeds from Initial Public Offer	-	-	-	-
	<b>Total</b>	<b>4256.25</b>	<b>5183.28</b>	<b>2415.20</b>	<b>1629.69</b>

The details of the working capital requirements of our Company for the Financial Years 2025 and 2026 based on the past trend for existing business operations and source of funding of the same are provided in the table below:

(Rs. In Lakhs)

Sr. No.	Particulars	FY 2024-25	FY 2025-26
		Estimation	Projection
<b>A</b>	<b>Current Assets</b>		
	Investments		
	Inventories	4385.00	5550.00
	Trade receivables	6905.00	9674.00
	Cash/Bank Balance	1096.00	1940.00
	Short term loan & advances	462.00	462.00
	Other Current assets		
	<b>Total Current assets (A)</b>	<b>12848.00</b>	<b>17626.00</b>
<b>B</b>	<b>Current Liabilities</b>		
	Working Capital Limit	4500.00	4500.00

Sr. No.	Particulars	FY 2024-25	FY 2025-26
		Estimation	Projection
	Trade Payables	1676.00	2266.00
	Other Current Liabilities	--	--
	Provision for Tax	491.00	955.00
	Current Maturities of Term Loan	395.00	460.00
	<b>Total Current Liabilities (B)</b>	<b>7062.00</b>	<b>8181.00</b>
	<b>Net Working Capital (A-B)</b>	<b>5786.00</b>	<b>9445.00</b>
	Source of Funding		
	Internal Accruals / Unsecured Loans	<b>4618.04</b>	<b>7907.00</b>
	Private Placement of Equity Shares	367.96	
	Proceeds from Initial Public Offer	[•]	[•]
	<b>Total</b>	<b>5786.00</b>	<b>9445.00</b>

Holding levels for key working capital components of Current Assets and Current Liabilities:

The following table sets forth the details of the holding period levels (in days) considered:

S. No	Particulars	Projected*		Actual*		
		FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23	FY 2021-22
1	Inventory days <sup>(1)</sup>	63	67	79	68	81
2	Trade receivables days <sup>(2)</sup>	90	90	91	51	30
3	Trade payable days <sup>(3)</sup>	30	30	22	32	22

\*Rounded off

<sup>(1)</sup> Inventory days: Closing inventory for the current period / cost of goods sold (comprising raw material consumption cost and other direct expenses) for the current period \* 365

<sup>(2)</sup> Trade receivable days: Closing of trade receivables for the current period/ revenue from operations \* 365

<sup>(3)</sup> Trade payable days: Closing of trade payables for the current period/raw material consumption cost for the current period \* 365

Key assumptions and justification for Holding Period Levels:

Particulars	Assumptions and justifications
Inventory	<p>Main inventory of our company is paper reels and hard papers of various quality for both existing business segments as well as new business segment and this product category constitute almost 75% of total raw material inventories in value terms.</p> <p>Our Company's total inventory holding period on combine basis for raw materials and finished stocks has increased from 68 days in Financial Year 2023 to 79 days in Financial Year 2024 primarily with increase in business in commercial printing segment requiring more variety of papers reels. Our Company has disclosed the total inventory including the finished goods &amp; raw material stock in the past Financial years but generally, based on dispatch schedule, we hold on average 13 to 16 days of finished stock inventories in both existing business segments and balance is raw material holding (including around 1 day of material in production).</p> <p>For Financial Year 2025, the raw material inventory holding period is projected at 51 days, which is slightly lower than previous year due to homogeneity expected in raw material requirement for new Paper Packaging segment with other two existing business segment and the same is projected with nominal reduction to 47 days in FY 2026 due to augmentation of raw material holding upon stabilization of operations of new business of Paper Packaging segment &amp; improvement in inventory management. Our company has estimated/ projected total inventory holding level at 67 and ~63 days for the FY 2025 &amp; FY 2026, respectively considering FG holding level of ~16 days in respective FYs as per past trend based on usual dispatch schedule followed by us.</p>
Trade receivables	Our Company continues to operate in two business segments namely Notebook/ Back-to-School Paper Stationery and Commercial Printing. Our Company has recently started third

	<p>business segment of Paper Packaging in December 2024. Existing/ proposed clientele are different in all 3 business segments. Further, Notebook/ Back-to-School Paper Stationery segment is having almost 40% to 50% export sales (as % of total sales), whereas other two business segments are having/ projected to be domestic sales.</p> <p>Credit period in Notebook / Back-to-School Paper Stationery segment is around 45 to 90 days as we have established ourselves with the customers in this segment, whereas in Commercial printing, company offers credit terms of 60 to 120 days since company's major clients in this segment are large/ reputed corporate/ BFSI entities/ government organizations/ trusts, where the payment terms are relatively longer due to competition and other business factors such as multiple dispatches in one order, relatively long period of order execution as well as one of the strategies adopted by our company to add/ target new clients in this segment. The company is expecting the similar credit terms in Paper Packaging segment as well due to type of clientele our company will be targeting and further, to stabilize the business and add new clients, our company will adopt offering longer credit terms as one of the strategy similar to our commercial printing segment, which has already yielded favourable results.</p> <p>Company's trade receivables holding period increased from 51 days in Financial Year 2023 to 91 days in Financial Year 2024 primarily due to considerable increase in sales in Commercial Printing Business of our company during the corresponding period. For Financial Year 2025 and Financial Year 2026, the Receivable holding period is estimated/ projected in the range of 90 days as payment terms in Paper Packaging segment will also expected in the range of 60 to 120 days due to type of corporate clients, competition in the sector and other business factors.</p>
Trade payables	<p>Major creditors for our company are paper reels and hard paper suppliers, which is used by both the existing business segments and new business segment. Creditors for other materials such as ink, glue, lamination films, etc. are relatively low in value terms and usually purchased without much credit period or not impact our working capital working. The trade payables holding period for Financial Year 2023 and 2024 are at 32 &amp; 22 days, respectively. Our Company has estimated/ projected the Trade payable holding level at 30 days i.e. one month, which is line with the trend for past years.</p>

Our company has committed considerable additional capital for its Commercial Printing segment and new Paper Packaging segment and has already done considerable capital expenditure to strengthen the manufacturing capabilities to achieve the targeted business growth. Our company has been devoting resources in marketing efforts, strengthen its brand image to add new clients in these segments. Majority of increase in net working capital requirement during FY 2025 and FY 2026 is estimated to emanate from the growth in the business in Commercial Printing segment and new Paper Packaging segment.

### III. General corporate purposes

Our Company intends to deploy balance left out of the Net Proceeds towards general corporate, aggregating up to Rs. [•] lakhs, as approved by our management from time to time, subject to such utilization for general corporate purposes not exceeding 15% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. Our management, shall have the flexibility in utilizing surplus amounts, if any.

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

- i. strategic initiatives;
- ii. funding growth opportunities;
- iii. strengthening marketing capabilities particularly in Paper Packaging segment;
- iv. meeting ongoing general corporate contingencies;
- v. meeting expenses incurred in the ordinary course of business; and
- vi. any other purpose, as may be approved by the Board, subject to compliance with applicable law.

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. We confirm that any issue related expenses shall not be considered as a part of general corporate purpose.

## Estimated Issue Related Expenses

The details of the estimated issue related expenses are tabulated below:

Particulars*	Amount (₹ in Lakhs)#	As a % of Estimates Issue Expenses	As a % of Issue Size
Book Running Lead Manager Fees (excluding Underwriting Commission)	[•]	[•]	[•]
Brokerage, selling, commission and upload fees	[•]	[•]	[•]
Underwriting Commission	[•]	[•]	[•]
Registrar to the Issue	[•]	[•]	[•]
Legal Advisors	[•]	[•]	[•]
Advertising and Marketing expenses	[•]	[•]	[•]
Regulators including stock exchanges	[•]	[•]	[•]
Printing and distribution of offer stationery	[•]	[•]	[•]
Others, if any (market making, depositories, Marketing fees, secretarial, peer review, miscellaneous expenses etc.)	[•]	[•]	[•]
<b>Total</b>	<b>[•]</b>	<b>[•]</b>	<b>[•]</b>

\* Issue expenses include goods and services tax, where applicable. Issue expenses are estimates and are subject to change.

# Amounts will be finalized and incorporated in the Prospectus on determination of Issue Price.

The fund deployed out of internal accruals up to January 31, 2025 is ₹ 35.70 Lakhs towards issue expenses vide certificate dated February 13, 2025 received from SKVM and Company, Chartered Accountants. This amount is inclusive of applicable taxes. The source of financing of this amount incurred was from the internal accrual of our Company.

Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs:

1. SCSBs will be entitled to a processing fee of ₹ 10/- per Application Form for processing of the Application Forms only for the Successful Allotments procured by other Application Collecting Intermediary and submitted to them.
2. Selling commission payable to registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Investors and Non-Institutional Investors, would be 0.15% on the Allotment Amount.
3. No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.
4. The commission and processing fees shall be released only after the SCSBs provide a written confirmation to the Book Running Lead Manager not later than 30 days from the finalization of Basis of Allotment by Registrar to the Issue in compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.
5. Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

## Appraisal Report

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

### **Bridge financing facilities**

As on the date of this Draft Red Herring Prospectus, we have not entered into any bridge financing arrangements which is subject to being repaid from the Issue Proceeds.

### **Interim use of funds**

The Company, in accordance with the policies established by its Board of Directors from time to time, will have flexibility to deploy the proceeds of the Issue. Pending utilization of the proceeds of the Issue for the purposes described above, our Company will temporarily invest the Net Issue Proceeds in deposits with scheduled commercial banks included in second schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Net Issue Proceeds for any investment in equity and/ or real estate products and/ or equity linked and/ or real estate linked products.

### **Monitoring of utilization of funds**

There is no requirement for the appointment of a monitoring agency, as the Issue size is less than Rs. 10,000 Lakhs as per Regulation 262 (1) of the SEBI ICDR Regulation, 2018. Our Board and Management will monitor the utilization of the net proceeds of the Issue through its audit committee and will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32 (8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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.

### **Variations in object**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ('the Postal Ballot Notice') shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office of the company is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

### **Shortfall of funds**

In case of a shortfall in the Net Proceeds, our management may explore a range of options which includes utilization of our internal accruals, debt or equity financing. Our management expects that such alternate arrangements would be available to fund any such shortfall.

### **Basic terms of issue**

The equity shares being issued are subject to the provision of the Companies Act, 2013, our Memorandum and Articles of Association, the terms of this issue document and other terms and conditions as may be incorporated in the allotment advice and other documents / certificates that may be executed in respect of the issue. The equity shares shall also be subjected to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, Government of India, RBI, ROC and / or other authorities as in force on the date of issue and to the extent applicable.

**Declaration**

Our fund requirements and deployment thereof are based on internal management estimates of our current business plans and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or other financial conditions, business strategy, as discussed further below.

**Other Confirmations**

No part of the Net Proceeds will be utilized 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 Personnel in relation to the utilization 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 ISSUE PRICE

The Price Band, Floor Price and Issue Price will be determined by our Company, in consultation with the Book Running Lead Manager, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the quantitative and qualitative factors described below. The face value of the Equity Shares is ₹ 10 each and the Issue Price is [•] times the Floor Price and [•] times the Cap Price of the Price Band. The financial information included herein is derived from our Restated Consolidated Financial Statements. Investors should also refer to “*Our Business*”, “*Risk Factors*”, “*Restated Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page nos. 135, 27, 194 and 235, respectively, to have an informed view before making an investment decision.

### Qualitative Factors

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

- i. Experienced Management and Operational Team
- ii. Long term Business relationship with Customers
- iii. Exposure in Export and Domestic market segment
- iv. Our location in Bhiwandi provides excellent connectivity via major highways (Mumbai-Nashik & Maharashtra Samruddhi Mahamarg- Mumbai to Nagpur) and proximity to the Nhava Sheva seaport is an added logistical advantage.
- v. Diversified Verticals: We are presently having Notebook/ Back-to-School Paper Stationery & Commercial Printing segment. Thus, dependence on a single vertical for revenue generation is avoided.

For more details on qualitative factors, refer to chapter “*Our Business-Our Strengths*” on page no. 135 of this Draft Red Herring Prospectus.

### Quantitative Factors

The information presented in this Chapter is derived from the Restated Financial Statements. For more details on financial information; investors, please refer the chapter titled “*Financial Information*” on page no. 194 of this Draft Red Herring 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 calculating the Issue Price are as follows:

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

Year ended March 31,	Basic & diluted	
	EPS (in Rs.)	Weights
2024	4.71	3
2023	(0.02)	2
2022	0.77	1
Weighted Average		2.48
For five months ended August 31, 2024*		4.67

\* Not annualised

#### Notes:

- a. The face value of each Equity Share is ₹10 each
- b. Basic Earnings per share = Restated profit for the year attributable to the equity holders of our Company/Weighted average number of equity shares outstanding during the year after considering Bonus shares which has been issued subsequent to the closure of financial year.
- c. Diluted Earnings per share = Restated profit for the year attributable to equity holders of our Company/Weighted average number of equity shares outstanding during the year considered for deriving basic earnings per share and the weighted average number of Equity Shares which could have been issued on the conversion of all dilutive potential Equity Shares after considering Bonus shares which has been issued subsequent to the closure of financial year.
- d. Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year /Total of weights.
- e. Pursuant to a resolution of our shareholders dated March 30, 2024 the Members of Company in their extra ordinary general meeting has approved 8:1 bonus shares on fully paid equity shares having face value of ₹10

per share through capitalization of securities premium or free reserves of the Company. The above bonus is retrospectively considered for the computation of weighted average number of equity shares outstanding during the period, in accordance with IND AS 33.

- f. The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Financial Statements beginning on page no. 194 of this Draft Red Herring Prospectus.

**2. Price/Earning (“P/E”) ratio in relation to price band of ₹ [•] to ₹ [•] per Equity Share of ₹ 10 each:**

Particulars	P/E at the lower end of the Price Band (no. of times)	P/E at the higher end of the Price Band (no. of times)
Based on basic and diluted EPS for Fiscal 2024	[•]	[•]

**Industry P/E ratio**

Particulars	P/E Ratio
Highest	NA
Lowest	NA
Industry Average	NA

\* We believe that there are no listed Companies in India which are focused exclusively on all the segments in which we operate.

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

Year ended March 31,	RoNW (%)	Weights
2024	32.84	3
2023	(0.15)	2
2022	7.33	1
Weighted Average		17.59
For five months ended August 31, 2024*		21.71

\* Not annualised

**Notes:**

- Weighted average = Aggregate of year-wise weighted Net Worth divided by the aggregate of weights i.e. [(Net Worth x Weight) for each year] / [Total of weights]
- Return on Net Worth (%) = Restated profit for the year attributable to the equity holders of our Company/Net worth as restated as at period/year end.
- “Net worth” means the aggregate value of the paid-up share capital (including share application money) and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, foreign currency translation reserve, write-back of depreciation as at period /year end.

**4. Net Asset Value (NAV)**

Financial Year	NAV (Rs.)
March 31, 2024	14.34
March 31, 2023	10.42
March 31, 2022	10.46
August 31, 2024	21.51
After the Issue:	
a. At Floor Price	[•]
b. At Cap Price	[•]
Issue Price (Rs.)	[•]

**Notes:**

- Issue Price per Equity Share will be determined on conclusion of the Book Building Process.
- Net asset value per share = Restated Net-worth / Number of Equity Shares as at period/ year end.
- Pursuant to a resolution of our shareholders dated March 30, 2024 the Members of Company in their extra ordinary general meeting has approved 8:1 bonus shares on fully paid equity shares having face value of ₹10



per share through capitalization of securities premium or free reserves of the Company. The above bonus is retrospectively considered for the computation of Net Asset Value.

## 5. Key Performance Indicators

### a. Key Performance Indicators ('KPIs')

The table below sets forth the details of KPIs that our Company considers have a bearing for arriving at the basis for the Issue Price. In addition to our financial statements prepared under Ind AS and the KPIs disclosed in point 1 to 4 herein, the KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help in analyzing the growth of various verticals and other relevant and material KPIs of the business of our Company and have a bearing for arriving at the Basis for Issue Price.

The KPIs set forth below, have been approved and verified by the Audit Committee pursuant to its resolution dated January 16, 2025 and the Audit Committee has confirmed that other than the KPI set out below, our Company has not disclosed any other KPIs to investors at any point of time during the three years and stub period prior to the date of this Draft Red Herring Prospectus. Additionally, the KPIs have been subjected to verification and certification by, M/s. SKVM and Company, Chartered Accountants by their certificate dated February 13, 2025.

Our Company shall continue to disclose the KPIs disclosed in this section on a periodic basis, at least once in a year (or for 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 Exchanges or till the complete utilization of the proceeds of the Issue as per the disclosure made in the chapter titled "*Objects of the Issue*", whichever is later or for such other duration as may be required under the SEBI ICDR Regulations

Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational KPIs, to assess our performance over the last three Fiscals and stub period.

During the stub period and three years period prior to the date of filing of this Draft Red Herring Prospectus, no fresh allotment was made.

(Rs. In lakhs, unless mentioned otherwise)

Sr. No.	Metric	As at or for the Period/Financial Year ended			
		August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
1.	Revenue from Operations	9,641.04	19,054.60	13,158.43	11,979.82
2.	Growth in Revenue from Operations (%)	21.43%*	44.81%	9.84%	8.32%
3.	Gross Product Sales	9,641.04	19,054.60	13,158.43	11,979.82
4.	Gross Profit	2,063.36	3,483.121	1,071.57	848.65
5.	Gross Margin (%)	21.40%*	18.28%	8.14%	7.08%
6.	EBITDA	1,188.11	1,739.08	410.09	236.94
7.	EBITDA Margin (%)	12.32%*	9.13%	3.12%	1.98%
8.	Profit after Tax (PAT)	576.43	581.30	(1.66)	79.88
9.	PAT Margin (%)	5.98%*	3.05%	(0.01%)	0.67%
10.	Inventory turnover ratio (times)	5.57*	5.42	5.05	6.45
11.	Current Ratio (times)	1.71	2.35	1.95	1.68
12.	Trade receivable turnover ratio (times)	4.31*	5.78	9.35	10.31
13.	RoE (%)	52.10%*	32.84%	(0.15%)	7.33%
14.	RoCE (%)	27.16%*	21.91%	6.26%	9.27%
15.	Debt-Service Coverage Ratio (DSCR) (times)	1.88	1.67	1.44	1.13

Sr. No.	Metric	As at or for the Period/Financial Year ended			
		August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
16.	Gross Fixed Assets Turnover (times)	6.20*	5.78	7.27	22.67
17.	Debt to Equity Ratio (times)	4.92	5.89	6.12	4.56
18.	Debt to Quasi Equity Ratio (times)	1.70	1.46	2.90	3.13
19.	Working Capital days	~121 Days	~148 Days	~86 Days	~89 Days
	<b>Gross Product Sales break up by Geography</b>				
	a. Domestic	6,793.16	10,911.66	6,331.95	7,407.15
	b. Overseas	2,847.88	8,142.94	6,826.48	4,572.67
	<b>Gross Product Sales break up by product category</b>				
	a. Back-to-school Paper Stationery	5,099.59	12,807.00	9,007.34	10,323.96
	b. Commercial Printing	4,529.06	6,207.22	4,001.67	1,643.14
	c. Sale of License	12.39	40.38	149.42	12.72

\*Annualized

Notes:

- Revenue from operations is calculated as revenue from sale of products and other operating income as per the Restated Financial Information.
- Growth in revenue from operations is calculated as a percentage increase/(decrease) in revenue from operations of current Fiscal year compared to previous Fiscal year.
- Gross Product Sales is calculated as revenue from sale of products as per the Restated Financial Information, gross of sales incentives, rebates, and discounts.
- Gross Profit is calculated as revenue from operations for the period less cost of goods sold for the period. Cost of goods sold is taken as a sum of purchase of stock-in-trade and change in inventories of stock-in-trade plus direct expenses, while Gross Profit Margin is the percentage of Gross Profit divided by revenue from operations for the period.
- EBITDA is calculated as profit for the year plus tax expense, depreciation and amortization and finance cost less other income for the period, while EBITDA margin is the percentage of EBITDA divided by revenue from operations for the period.
- PAT represents total profit for the year as per the Restated Financial Information. PAT Margin is percentage of PAT divided by revenue from operations for the period.
- Inventory turnover ratio is calculated as Cost of goods sold divided by Average of opening and closing inventory for the period
- Current ratio is calculated as Current assets divided by Current liabilities.
- Trade receivable turnover ratio is calculated as Revenue from operations divided by Average of opening and closing trade receivables for the period.
- ROE is calculated as a percentage of PAT divided by total equity at the end of the year as per the Restated Financial Information.
- Return on Capital Employed is calculated as Net operating income divided by Capital employed, where Net operating income is PBT plus Finance costs and Capital employed is Total Tangible Asset plus Total Debt and Deferred Tax.
- DSCR is calculated as PBT plus Finance cost plus Depreciation charge divided by Finance cost plus Total Principal Repayment due for payment within the period
- Gross Fixed Assets Turnover Ratio is Revenue from operations divided by average of opening and closing of Gross Fixed Assets (excluding capital work in progress)
- Debt to Equity Ratio is calculated as total outside liability divided by Total Tangible Net-worth
- Debt to Quasi Equity Ratio is calculated as ratio of total outside liabilities less unsecured loans contributed by Related Parties to Total Tangible Net worth plus unsecured loans contributed by Related Parties

16. Working capital days refers to inventory days plus trade receivables days less trade payable days. Inventory days have been calculated as inventory at the end of the year divided by cost of goods sold multiplied by 365 for the complete fiscal year. Trade receivables days have been calculated as trade receivables divided by revenue from operations multiplied by 365 days for the complete fiscal years. Trade payables days have been calculated as trade payables divided by consumption of raw material multiplied by 365 days for the complete fiscal years.

**b. Explanation for the Key Performance Indicators metrics**

The list of our Key Performance Indicators along with brief explanation of the relevance of the Key Performance Indicators for the business operations of our Company is set out below:

<b>KPIs</b>	<b>Explanation</b>
Revenue from operations	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of the business.
Growth in Revenue from Operations	Growth in Revenue from Operations provides information regarding the growth of our business for the respective year
Gross product sales	Gross Product Sales provides information regarding revenue from sales of products gross of sales incentives, rebates, and discounts
Gross Profit	Gross Profit provides information regarding profitability on sale of products manufactured and services sold by the Company.
Gross Profit Margin	Gross Profit Margin is an indicator of the profitability on sale of products manufactured and services sold by the Company.
EBITDA	EBITDA provides information regarding the operational profitability of the business.
EBITDA Margin	EBITDA Margin is an indicator of the operational efficiency before the depreciation and amortization expenses.
Profit after Tax	Profit after tax provides information regarding the overall profitability of the business after all the tax expenses.
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of the business.
Inventory turnover ratio	Inventory turnover is a financial ratio showing how many times a company turned over its inventory relative to its cost of goods sold in a given period.
Current Ratio	The current ratio is a liquidity ratio that measures a company's ability to pay short-term obligations or those due within one year
Trade receivable turnover ratio	The accounts receivable turnover ratio is an accounting measure used to quantify how efficiently a company is in collecting receivables from its clients.
RoE	RoE provides how efficiently our Company generates profits from shareholders' funds and how well it is converting its shareholders funds to generate profits.
ROCE	ROCE provides how efficiently the Company generates earnings from the capital employed in the business.
DSCR	The debt-service coverage ratio is a measure of the cash flow available to pay current debt obligations.
Gross Fixed Assets Turnover	Gross fixed assets turnover ratio measures the efficiency of our fixed assets (property, plant and equipment) in generating revenue
Debt to Equity Ratio	Debt to Equity Ratio is calculated to evaluate our Company's financial leverage
Debt to Quasi Equity Ratio	Compares Company's traditional debt to its "quasi-equity" financing
Working Capital days	Working capital days indicate how many days it takes for our Company to convert its working capital into revenue. It refers to trade receivables days less trade payable days
Gross Product Sales break up by Geography	This metric enables the management to track the progress of domestic and international gross revenue.
Gross Product Sales break up by product category	This metric enables the management to track the progress of gross revenue from sale of products across different product categories.

**c. Description on the historic use of the KPIs by our Company to analyze, track or monitor the operational and/or financial performance of our Company**

In evaluating our business, we consider and use certain KPIs as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Financial Information. We use these KPIs to evaluate our financial and operating performance. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS. Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business

**d. Comparison of our Key Performance Indicators with our listed industry peers**

There are no listed companies in India that engage in all business segments in which our Company operates. Accordingly, it is not possible to provide a comparison of key performance indicators of the industry with our Company.

**e. Comparison of Key Performance Indicators based on additions or dispositions to our business**

Our Company has not made any material acquisitions or dispositions to its business during Financial Year 2024, 2023 and 2022, except as mentioned in this Draft Red Herring Prospectus. For details regarding acquisitions and dispositions made our Company in the last 10 years, see "*History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations and revaluation of assets, if any, in the last 10 years*" on page no. 168 of this Draft Red Herring Prospectus.

**6. Weighted Average Cost of Acquisition**

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

Our Company has not issued any Equity Shares or convertible securities, excluding Bonus Issue, in the last 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s), in a single transaction or multiple transactions combined together over a span of rolling 30 days, except as stated below:

Sr. No.	Date of Allotment	No of Equity Shares Allotted	Face Value per share (Rs.)	Issue Price per share (Rs.)	Total Consideration (Rs. In Lakhs)
1.	March 28, 2024	2,14,166	10	50	107.08
2.	November 19, 2024	9,09,083	10	99	899.99
<b>Total</b>		<b>11,23,249</b>			<b>1007.07</b>

Weighted Average Cost of Acquisition is in the range of Rs. 50 to Rs. 99, as certified by M/s. SKVM and Company, Chartered Accountants by way of their certificate dated February 6, 2025.

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

Except as set out below, there have been no secondary sale/ acquisitions of Equity Shares or any convertible securities, where our Promoters or the members of our Promoter Group are a party to a transaction, during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our 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.

Date of Transfer	Name of Transferor	Name of Transferee	No. of Securities	Nature of Consideration	Transfer price per equity share (Rs.)	Total Consideration (Rs. In Lakhs)
December 07, 2023	Amisha Agarwal	Harshiel Agarwal	2,20,800	Gift	Nil	Nil
March 05, 2024	Arti Devi	Rajesh Agarwal	61,200	Cash	47	28.76
March 05, 2024	Ajay Kumar Jha	Rajesh Agarwal	42,300	Cash	47	19.88
March 05, 2024	Deepak Kumar Gupta	Harshiel Agarwal	71,666	Cash	47	33.68
March 05, 2024	Kodiyil Sivan Pillai	Harshiel Agarwal	39,000	Cash	47	18.33
October 30, 2024	Rajesh Agarwal	Sweta Agarwal	13,77,180	Gift	Nil	Nil
November 13, 2014	Pushpa Agarwal	Harshiel Agarwal	5,31,000	Gift	Nil	Nil
<b>Total</b>			<b>23,43,146</b>			<b>100.65</b>

Weighted Average Cost of Acquisition is in the range of nil to Rs. 47, as certified by M/s. SKVM and Company, Chartered Accountants by way of their certificate dated February 6, 2025.

**c. In case, there are no such transaction to report to under (a) and (b), details of the last five primary or secondary transactions (secondary transactions where Promoter or members of the Promoter Group or Shareholder(s) having the right to nominate Director(s) on our Board, are a party to the transaction), not older than three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions:**

Not Applicable

**d. Based on the above transactions, below are the details of the weighted average cost of acquisition, as compared to the Floor Price and the Cap Price:**

Past Transactions	Weighted average cost of acquisition (in Rs.)	Floor Price	Cap Price
WACA of Primary Transactions	50-99	[•] Times	[•] Times
WACA of Secondary Transactions	Nil-47	[•] Times	[•] Times

*\*As certified by M/s. SKVM and Company, Chartered Accountants by way of their certificate dated February 6, 2025.*

**7. Explanation for Cap Price being [•] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in 8 (c) above) along with our Company's key performance indicators and financial ratios for the Financial Years 2024, 2023 and 2022.**

[•]\*

*\*To be included on finalisation of Price Band.*

**8. The Issue Price is [•] times of the face value of the equity shares**

The face value of our share is Rs. 10/- per share and the Issue Price is of Rs. [•] per share are [•] times of the face value. Our Company in consultation with the Book Running Lead Manager believes that the Issue Price of Rs. [•] per share for the Public Issue is justified in view of the above quantitative and qualitative parameters. Investor

should read the above-mentioned information along with the section titled “*Risk Factors*” beginning on page no. 27 of this Draft Red Herring Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “*Restated Financial Statements*” beginning on page no. 194 of this Draft Red Herring Prospectus.

## STATEMENT OF POSSIBLE TAX BENEFIT

To,

**The Board of Directors**

**Saffron Speciality Papers Ltd**

Survey No. 53, Hissa 29, 75/2 and 77/5 Village Aamne

Near Indian Petrol Pump, Thane

Bhiwandi 421302, Maharashtra

(Saffron Speciality Papers Ltd, referred to as the "Company")

Dear Sirs,

**Sub: Statement of Possible Special Tax Benefits available to Saffron Speciality Papers Ltd (formerly known as Saffron Speciality Papers Private Ltd) and its shareholders prepared in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI Regulations") and the Companies Act, 2013, as amended (the "Act").**

We hereby report that the accompanying Statement states the possible special tax benefits available to the Company and shareholders of the Company (hereinafter referred to as "**the Statement**") under the Income Tax Act, 1961 (read with Income Tax Rules, circulars, notifications) presently in force in India (together referred to as the "**Direct Tax Laws**"), the Goods and Service Tax laws & Customs Act, 1962 (read with rules, circulars, notifications) presently in force in India (together referred to as the "**Indirect Tax Laws**").

These possible special tax benefits are dependent on the Company and/ or the Company's shareholders fulfilling the conditions prescribed under relevant Direct Tax Laws, Indirect Tax Laws and other laws. Hence, the ability of the Company or the Company's shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or the Company's shareholders may or may not choose to fulfil. The Company does not have any subsidiary as on date of the Prospectus/ Prospectus.

The benefits discussed in the enclosed Statement (Annexure) are not exhaustive and only cover the possible special direct and indirect tax benefits available to the Company and the Company's shareholders. The Statement is neither designed nor intended to be a substitute for professional tax advice and 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 of the Company.

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

- a) the Company or its shareholders will continue to obtain these possible special tax benefits in future; or
- b) the conditions prescribed for availing the possible special tax benefits, where applicable, have been/would be met with; and

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

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.

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

We hereby give consent to include this Statement in Offer Document in connection with the proposed initial public offering of the Company.

Yours faithfully,

For **SKVM and Company**,  
Chartered Accountants  
Firm's Registration No.: 121035W

CA Sachin Shrinivas Bhattad  
Partner  
Membership No. 109485  
UDIN: 25109485BMJPIG8733

Date: February 6, 2025  
Place: Thane



## **Annexure**

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

Outlined below are the possible special tax benefits available to **Saffron Speciality Papers Ltd (“the Company”)** and to its Shareholders under the Direct and Indirect Tax Laws in force in India.

#### **A. Special Tax Benefits available to the Company**

##### **1. Direct Tax**

There are no special direct tax benefits available to the Company.

##### **2. Indirect Tax**

There are no special indirect tax benefits available to the Company.

#### **B. Special Tax Benefits available to the Shareholders of the Company**

##### **1. Direct Tax**

There are no special direct tax benefits available to the Shareholders of the Company.

##### **2. Indirect Tax**

There are no special indirect tax benefits available to the Shareholders of the Company.

## SECTION VI – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The information contained in this section is derived from a report titled “Printing & Packaging Industry Report” dated December 20, 2024 (“Infomerics Report”) prepared by Infomerics Analytics & Research Private Limited (“Infomerics”), and exclusively commissioned and paid by our Company only for the purposes of the Issue and is available at <https://saffronindia.net/pdf/Printing-Packaging-Industry-Report.pdf>. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based on such information. Forecasts, estimates, predictions, and other forward-looking statements contained in the Infomerics Report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in this Draft Red Herring Prospectus and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. Please see chapter titled “Presentation of Financial, Industry and Market Data and Currency of Presentation” on page no. 16 of this Draft Red Herring Prospectus.*

#### **Indian Macro Economy an Overview**

The Indian economy is on a strong wicket and stable footing, demonstrating resilience in the face of geopolitical challenges. The Indian economy has consolidated its post-Covid recovery with policymakers – fiscal and monetary – ensuring economic and financial stability. Nonetheless, change is the only constant for a country with high growth aspirations. For the recovery to be sustained, there has to be heavy lifting on the domestic front because the environment has become extraordinarily difficult to reach agreements on key global issues such as trade, investment and climate.

High economic growth in FY24 came on the heels of growth rates of 9.7% and 7.0%, respectively, in the previous two financial years. The headline inflation rate is largely under control, although the inflation rate of some specific food items is elevated. The trade deficit was lower in FY24 than in FY23, and the current account deficit for the year is around 0.7% of GDP. In fact, the current account registered a surplus in the last quarter of the financial year. Foreign exchange reserves are ample. Public investment has sustained capital formation in the last several years even as the private sector shed its balance sheet blues and began investing in FY22. Now, it has to receive the baton from the public sector and sustain the investment momentum in the economy. The signs are encouraging. National income data show that non-financial private-sector capital formation, measured in current prices, expanded vigorously in FY22 and FY23 after a decline in FY21. However, investment in machinery and equipment declined for two consecutive years, FY20 and FY21, before rebounding strongly. Early corporate sector data for FY24 suggest that capital formation in the private sector continued to expand but at a slower rate. RBI data on India’s Balance of Payments shows us that the investment interest of external investors, measured in terms of dollar inflows of new capital, was USD45.8 billion in FY24 compared to USD47.6 billion in FY23. This slight decline is in line with global trends. Reinvestment of earnings remained the same. Repatriation of investment was USD29.3 billion in FY23 and USD44.5 billion in FY24. Many private equity investors took advantage of buoyant equity markets in India and exited profitably. It is a sign of a healthy market environment that offers profitable exits to investors, which will bring newer investments in the years to come. That said, the environment for foreign direct investment to grow in the coming years is not highly favorable for many reasons. Interest rates in developed countries are much higher than they were during and before Covid years. This not only means a higher cost of funding but also a higher opportunity cost to invest abroad. Second, emerging economies have to compete with active industrial policies in developed economies involving considerable subsidies that encourage domestic investment. Third, notwithstanding the impressive strides made in the last decade, uncertainties and interpretations related to transfer pricing, taxes, import duties and non-tax policies remain to be addressed. Lastly, geopolitical uncertainties, which are on the rise, will likely exert a bigger influence on capital flows, notwithstanding other reasons for preferring to invest in India.

On employment generation, the Periodic Labour Force Survey provides quarterly data on urban employment indicators and annually for the entire country, including rural India. A surge in agriculture employment is partly explained by reverse migration and the entry of women into the labour force in rural India. The Annual Survey of Industries has data on workers in nearly 2.0 lakh Indian factories. The total number of factory jobs grew annually

by 3.6% between 2013-14 and 2021-22. Somewhat more satisfyingly, they grew faster at 4.0% in factories employing more than a hundred workers than in smaller factories (those with less than a hundred workers). The annual growth rate was 1.2% in the latter set of factories. In absolute numbers, employment in Indian factories has grown from 1.04 crore to 1.36 crore in this period.

Between the last Economic survey published in January 2023 and this one, big changes are afoot in the geopolitical environment. The global backdrop for India's march towards Viksit Bharat in 2047 could not be more different from what it was during the rise of China between 1980 and 2015. Then, globalization was at the cusp of its long expansion. Geopolitics was largely calm with the end of the Cold War, and Western powers welcomed and even encouraged the rise of China and its integration into the world economy. Concerns over climate change and global warming were not so pervasive or grave then as they are now. Fourth, the advent of Artificial Intelligence casts a huge pall of uncertainty as to its impact on workers across all skill levels – low, semi and high. These will create barriers and hurdles to sustained high growth rates for India in the coming years and decades. Overcoming these requires a grand alliance of union and state governments and the private sector.

#### Employment generation is the real bottom line for the private sector

It is worth reiterating that job creation happens mainly in the private sector. Second, many (not all) of the issues that influence economic growth, job creation and productivity and the actions to be taken therein are in the domain of state governments. So, in other words, India needs a tripartite compact, more than ever before, to deliver on the higher and rising aspirations of Indians and complete the journey to Viksit Bharat by 2047. In more than one respect, the action lies with the private sector. In terms of financial performance, the corporate sector has never had it so good. Results of a sample of over 33,000 companies show that, in the three years between FY20 and FY23, the profit before taxes of the Indian corporate sector nearly quadrupled. Further, newspaper headlines told us that the corporate profits-to-GDP ratio rose to a 15-year high in FY24. Business Line reported, "The corporate profit for the Nifty-500 universe was up 30 per cent last fiscal to ₹14.11-lakh crore against ₹10.88 lakh crore in FY23. The nominal GDP grew 9.6 per cent y-o-y to ₹295-lakh crore (₹269-lakh crore). Hiring and compensation growth hardly kept up with it. But it is in the interest of the companies to step up hiring and worker compensation.

The Union government cut taxes in September 2019 to facilitate capital formation. Between FY19 and FY23, the cumulative growth in private sector non-financial Gross Fixed Capital Formation (GFCF) is 52% in current prices. During the same period, the cumulative growth in general government (which includes states) is 64%. The gap does not appear to be too wide.

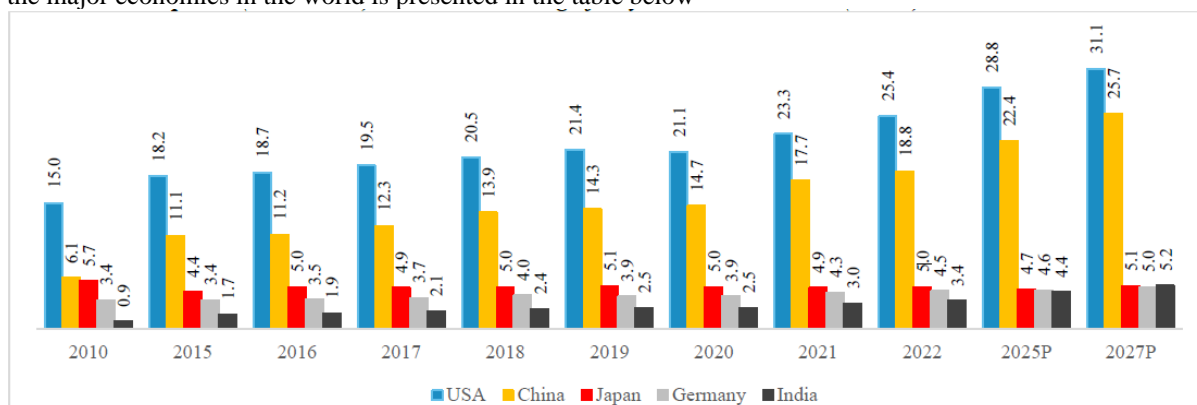
#### Future ahead

While contemplating the challenges that lie ahead, one should not be daunted because the social and economic transformation of democratic India is a remarkable success story. We have come a long way. The economy has grown from around USD288 billion in FY93 to USD3.6 trillion in FY23. India has generated more growth per dollar of debt than other comparable nations. Abject poverty has all but been eliminated. Human development indicators have improved, and more Indians, especially women, are getting educated. For all its flaws and warts, the system has delivered accountability through the democratic process and public discourse, where the occasional and rarer mature commentary proves effective. We should not lose sight of that.

#### **Global Economy**

Following the onset of the Covid-19 pandemic crisis, the global economy has experienced a combination of both risks and opportunities. Progressing toward recovery, the global economy started returning to normalcy after a prolonged struggle; the governments worldwide have taken swift and appropriate measures, including widespread vaccination efforts and the consistent implementation of fiscal and monetary support strategies. Right when the economic situation seemed to be improving after the Covid-19, the Russia-Ukraine geopolitical conflict unfolded, contributing to global inflationary pressures and resulting in record-high levels not witnessed in the past four decades. Moreover, the impact of the conflict between Israel and Hamas on global financial markets will be contingent on the involvement of major regional powers. If the conflict remains localized between Israel and Hamas, its effects are likely to be limited, primarily affecting countries directly engaged in trade with Israel or Palestine. However, should the conflict extend to major oil-producing nations in the region, such as Iran, the global economy may experience significant consequences. Interruptions in the oil supply could lead to a sharp increase in energy costs for businesses and households, posing a potential threat to the overall stability of the global economy. To tackle this, Central Banks are adopting a hawkish approach and implementing interest rate hikes.

On the back of enhanced vaccination coverage and continued fiscal and monetary stimuli across countries, the GDP of the World grew by 13.2% CY 21 against a contraction of 3.0 % in CY 20. The positive trend continued into CY 22, with a growth rate of 4.7%. The global GDP is forecasted to grow from USD 101.0 trillion in CY 22 to 128.5 in CY 27, thus growing at a CAGR of 4.9% during the forecasted period. The GDP (at current price) of the major economies in the world is presented in the table below



Source: World Bank Data, IMF, RBI; CY 2022 for India refers to FY 2023 data and so on.

Country	Rank in GDP (CY 22)	Rank in GDP (PPP)	CY 10	CY 15	CY 16	CY 17	CY 18	CY 19	CY 20	CY 21	CY 22	CY 25P	CY 27P	CAGR (2016-21)	CAGR (2022-27)
USA	1	2	15.1	18.2	18.7	19.5	20.5	21.4	21.1	23.3	25.4	28.8	31.1	4.5%	4.1%
China	2	1	6.1	11.1	11.2	12.3	13.9	14.3	14.7	17.7	18.8	22.4	25.7	9.6%	6.5%
Japan	3	4	5.8	4.4	5.0	4.9	5.0	5.1	5.0	4.9	5.0	4.7	5.1	-0.4%	0.4%
Germany	4	5	3.4	3.4	3.5	3.7	4	3.9	3.9	4.3	4.5	4.6	5.0	4.2%	2.1%
India	5	3	0.9	1.7	1.9	2.1	2.4	2.5	2.5	3.0	3.4	4.4	5.2	9.6%	8.9%
UK	6	10	2.5	2.9	2.7	2.6	2.9	2.8	2.7	2.9	3.2	3.6	4.0	1.4%	4.6%
Brazil	12	8	2.2	1.8	1.8	2.1	1.9	1.9	1.5	1.6	1.8	2.3	2.6	-2.3%	7.6%
Russia	11	6	1.6	1.4	1.3	1.6	1.7	1.7	1.5	1.8	1.9	2.2	2.3	6.7%	3.9%
World	-	-	66.6	75.2	76.5	81.4	86.5	87.7	85.0	96.5	101.0	116.5	128.5	4.8%	4.9%

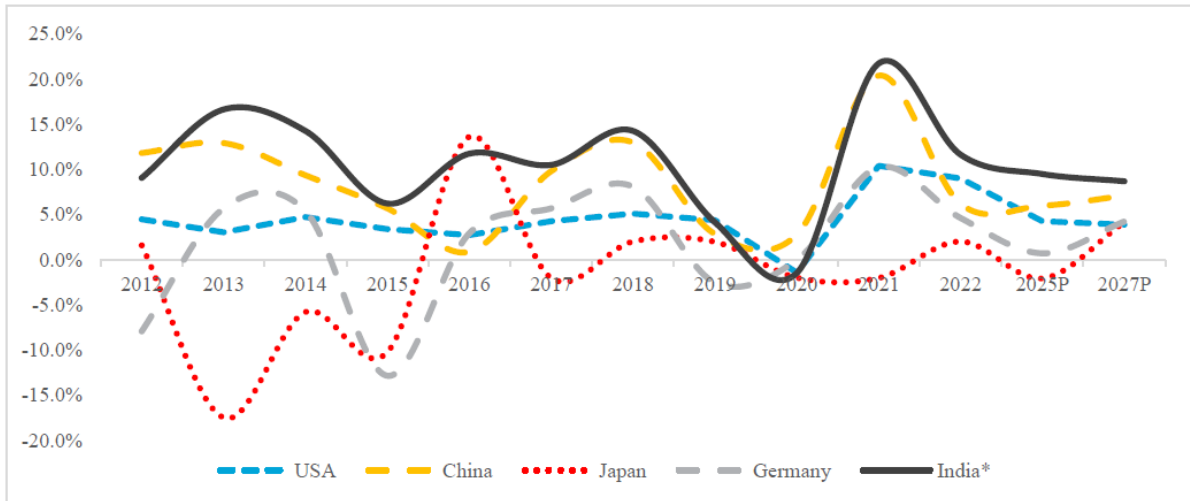
The world economy has experienced a contraction in GDP growth during the pandemic i.e. in CY 20. However, the governments and central banks globally have taken decisive actions by implementing fiscal and monetary stimulus measures to bolster the process of economic recovery. Further, the gradual recovery of global supply chains and increased international trade have contributed to the positive growth trajectory. These well-calibrated initiatives and the recovery to global supply-chain have been directed towards reinstating consumer and business confidence, stimulating demand, and achieving stability in financial markets. As a result of these concerted efforts, multiple countries and regions have demonstrated encouraging signs of economic revival and notable growth.

Source: Economy survey

### Indian Macro Economy Parameters

India's economy carried forward the momentum it built in FY23 into FY24 despite a gamut of global and external challenges. The focus on maintaining macroeconomic stability ensured that these challenges had minimal impact on India's economy. As a result, India's real GDP grew by 8.2 per cent in FY24, posting growth of over 7 per cent for a third consecutive year, driven by stable consumption demand and steadily improving investment demand.

The economies of India and China witnessed remarkable growth in nominal GDP during the calendar year 2021 and 2022, following the COVID-19 pandemic. India demonstrated a substantial year-on-year nominal GDP growth rate of 21.8% in CY 21 followed by a growth of 11.7% in CY 22. Meanwhile China experienced a notable growth rate of 20.4% in CY 21 and 6.2% growth in CY 22. On the other hand, major economies like the United States and Germany reported GDP growth rates of 10.4% and 10.3% respectively during CY 21 followed by 9% and 4.7% GDP growths in CY 22. Japan, however, experienced a negative growth in GDP (-2.0%) during CY 21. Nevertheless, in CY 22, Japan's GDP rebounded with a growth rate of 2%.



Source: India Data from RBI, Future growth rate from OECD Data, Technopak Analysis  
 1USD = INR 80

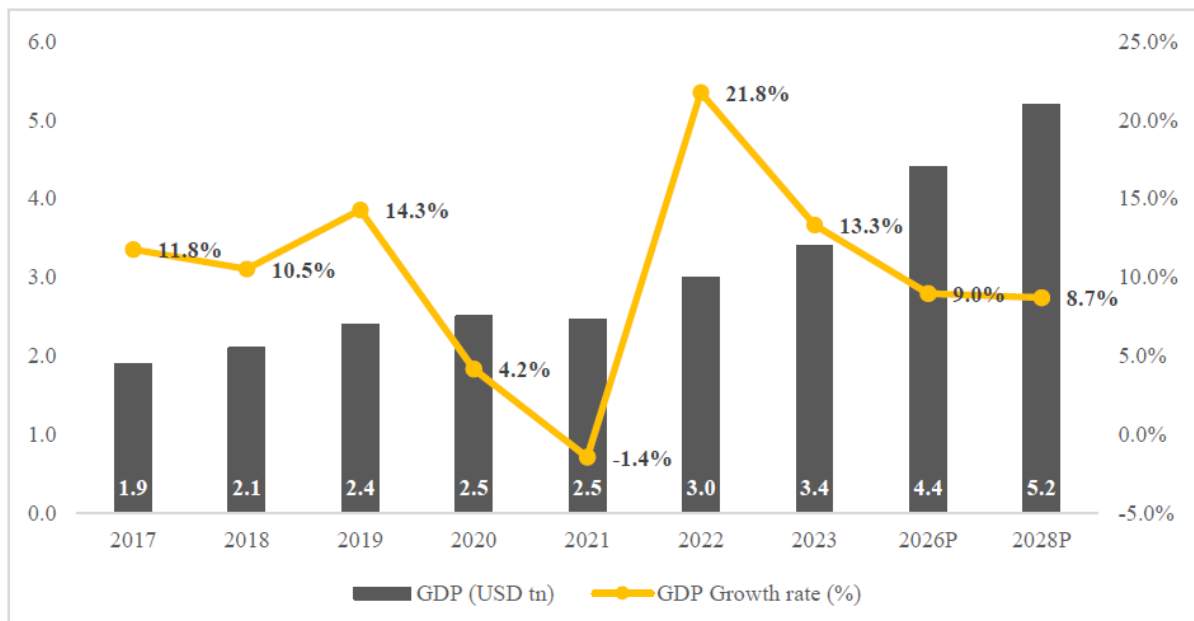
\*For India, CY 11 represents FY 12 and so on.

	CY 12	CY 13	CY 14	CY 15	CY 16	CY 17	CY 18	CY 19	CY 20	CY 21	CY 22	CY 25P	CY 27P
USA	4.5%	3.1%	4.8%	3.4%	2.7%	4.3%	5.1%	4.4%	-1.4%	10.4%	9.0%	4.3%	3.9%
China	11.8%	12.9%	9.4%	5.7%	0.9%	9.8%	13.0%	2.9%	2.8%	20.4%	6.2%	6.0%	7.1%
Japan	1.6%	-17.5%	-5.8%	-10.2%	13.6%	-2.0%	2.0%	2.0%	-2.0%	-2.0%	2.0%	-2.0%	4.2%
Germany	-7.9%	5.7%	5.4%	-12.8%	2.9%	5.7%	8.1%	-2.5%	0.0%	10.3%	4.7%	0.7%	4.3%
India*	9.1%	16.7%	14.3%	6.2%	11.8%	10.5%	14.3%	4.2%	-1.4%	20.0%	11.7%	9.5%	8.7%

India is the world's 5th largest economy and expected to be in the top 3 by FY 28.

India ranked fifth in the world in terms of nominal gross domestic product ("GDP") for FY 22 and is the third largest economy in the world in terms of purchasing power parity ("PPP"). India is expected to be USD ~5.2 trillion economy by FY 28 and is estimated to be the third largest economy surpassing Germany and Japan.

**India's nominal GDP at current prices (In USD Tn) and GDP Growth rate (%) (FY)**



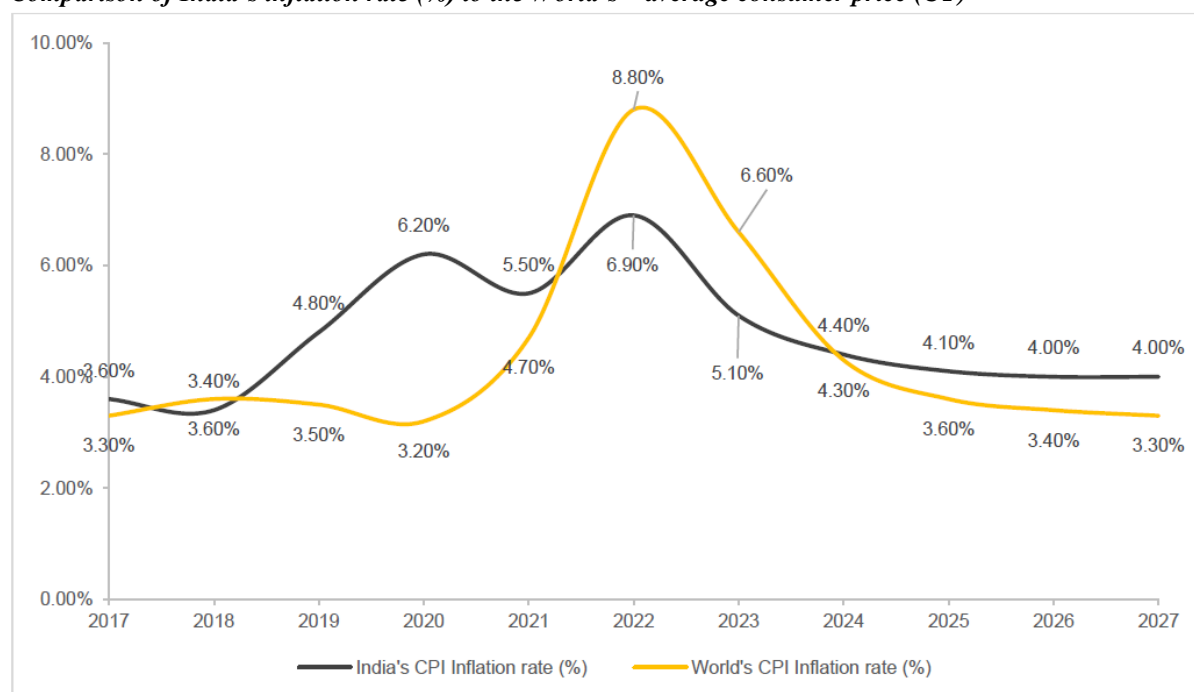
India's nominal GDP has grown at a CAGR of 9.6% between FY 17 and FY 22 and is expected to continue the trend by registering an expected CAGR of 8.9% for 5-year time period from FY 23 to FY 28.

Since FY 05, the Indian economy’s growth rate had been twice as that of the world economy and it is expected to sustain this growth momentum in the long term. From FY 23 to FY 28, India’s nominal GDP is expected to grow at a CAGR of 8.9%, which compares favorably to the world average (4.9%) and with other major economies, including China (6.5%), UK (4.6%), Japan (0.4%), Germany (2.1%) and the USA (4.1%) for the similar period of CY 22 to CY 27. It is also expected that the growth trajectory of Indian economy will enable India to be among the top 3 global economies by FY 28. Several factors are likely to contribute to economic growth in the long run. These include favorable demographics, reducing dependency ratio, rapidly rising education levels, steady urbanization, growing young & working population, IT revolution, increasing penetration of mobile & internet infrastructure, government policies, increasing aspirations and affordability etc.

### Macro-Economic and Overview – Inflation

Inflation is measured by the consumer price index (CPI), is defined as the change in the prices of a basket of goods and services that are typically purchased by specific groups of households. The world has witnessed a significant rise in inflation during the year 2022 where the average global inflation was recorded at 8.8%. As per the IMF report, the global inflation rate is expected to drop to 6.6% in CY 23 and 4.3% to CY 24 as compared to a pre-pandemic level of 3.5% during CY 17 to CY 19.

#### **Comparison of India’s inflation rate (%) to the World’s – average consumer price (CY)**



Source: IMF projection

The economies of both India and the world are undergoing a recovery process following the impact of the COVID-19 pandemic. However, the speed of their recovery is influenced not only by the severity of the COVID-19 impact but also by their ability to handle the challenges arising from the economic consequences of the ongoing geopolitical conflict between Russia and Ukraine.

Due to a substantial increase in global crude oil and commodity prices, India along with other developed countries are faced significant challenges related to high levels of inflation in recent years. Further, the pandemic has led to disruptions in global supply chains, affecting the availability of goods and raw materials. In response to this inflationary pressure, these countries are compelled to raise their domestic interest rates. RBI has been working towards reducing inflation by increasing the Repo rate to control the supply and demand of goods and services.

The RBI has increased repo rate by a cumulative 250 basis points, from 4% in April 2022 to 6.50% in April 2023, with an aim to tackle the current inflation scenario in India. The CPI inflation rate in India has been above the Reserve Bank of India (RBI) medium-term target of 6%. The country’s retail inflation slipped to 4.25% in May 2023, from 6.44% in January 2023. The CPI inflation in India is expected to fall from 6.9% in FY 22 to 5.1% in FY 23 and further dropping to 4.4% during the year 2024.

**Global Inflation rate, average CPI (%) – U.S., U.K, China, Japan, India, Germany (CY)**

Inflation rate (CPI%)	2017	2018	2019	2020	2021	2022	2023P	2024P	2025P	2026P	2027P
China	1.6%	2.1%	2.9%	2.4%	0.9%	2.2%	2.2%	1.9%	2.0%	2.0%	2.0%
India	3.6%	3.4%	4.8%	6.2%	5.5%	6.9%	5.1%	4.4%	4.1%	4.0%	4.0%
Japan	0.5%	1.0%	0.5%	0.0%	-0.2%	2.0%	1.4%	1.0%	1.0%	1.0%	1.0%
Germany	1.7%	1.9%	1.4%	0.4%	3.2%	8.5%	7.2%	3.5%	2.6%	2.0%	2.0%
UK	2.7%	2.5%	1.8%	0.9%	2.6%	9.1%	9.0%	3.7%	1.8%	2.0%	2.0%
USA	2.1%	2.4%	1.8%	1.2%	4.7%	8.1%	3.5%	2.2%	2.0%	2.0%	2.0%
World	3.3%	3.6%	3.5%	3.2%	4.7%	8.8%	6.6%	4.3%	3.6%	3.4%	3.3%

Source: IMF projections

**Private Final consumption**

GDP growth in India is expected to be driven by rising private final consumption expenditure. India is a private consumption driven economy where the share of domestic consumption is measured as private final consumption expenditure (PFCE). This private consumption expenditure comprises both goods (food, lifestyle, home, pharmacy etc.) and services (food services, education, healthcare etc.). High share of private consumption to GDP has the advantage of insulating India from volatility in the global economy. It also implies that sustainable economic growth directly translates into sustained consumer demand for goods and services. India's domestic consumption has grown at a CAGR of 10.4% between FY 17 and FY 23, compared to 5.5% and 12.7% in the USA and China, respectively during the similar period of CY 16 and CY 22. Further, Indian total PFCE is expected to grow at same pace during the next 5 years at a CAGR of 10.8% and projected reach to USD 3 trillion by FY 27.

In FY 22, PFCE accounted for ~60% of India's GDP. This is much higher than that in China (~39%), Germany (~50%) and comparable to that of the US (~68%) and the UK (~61%) for similar time of CY 21. With the rapidly growing GDP and PFCE, India is expected to be one of the top consumer markets in the world. It is estimated that the Private Final Consumption expenditure contribution to India's GDP will be 60.55% for FY 23.

**Total Private Final Consumption Expenditure in CY (Current Prices USD Tn)**

Country	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2026P	Contribution to GDP			CAGR	
														2019	2021	2022	2016-22	2022-26
U.S.	10.7	11	11.4	11.8	12.3	12.7	13.2	13.9	14.4	14	15.7	17.5	NA	67.4%	68.3%	NA	5.5%	NA
China	2.6	3	3.4	3.8	4.2	4.3	4.7	5.4	5.6	5.6	6.8	8.8	NA	39.2%	38.9%	NA	12.7%	NA
Germany	2	1.9	2	2.1	1.8	1.8	1.9	2.1	2	2	2.1	2.6	NA	51.7%	49.6%	73.1%	6.3%	NA
India*	0.6	0.7	0.8	0.9	1.0	1.1	1.3	1.4	1.5	1.5	1.8	2.1	3.0	61.0%	59.6%	60.1%	10.4%	10.8%
Italy	1.4	1.3	1.3	1.3	1.1	1.1	1.2	1.3	1.2	1.1	1.1	1.5	NA	59.8%	57.8%	79.8%	5.3%	NA
U.K.	1.7	1.8	1.8	2	1.9	1.8	1.7	1.9	1.8	1.7	2	2.6	NA	66.0%	61.1%	83.9%	6.3%	NA
World	41.7	42.6	43.8	45	42.6	43.6	46	48.5	49.3	46.9	50.2	NA	NA	56.2%	55.7%	NA	NA	NA

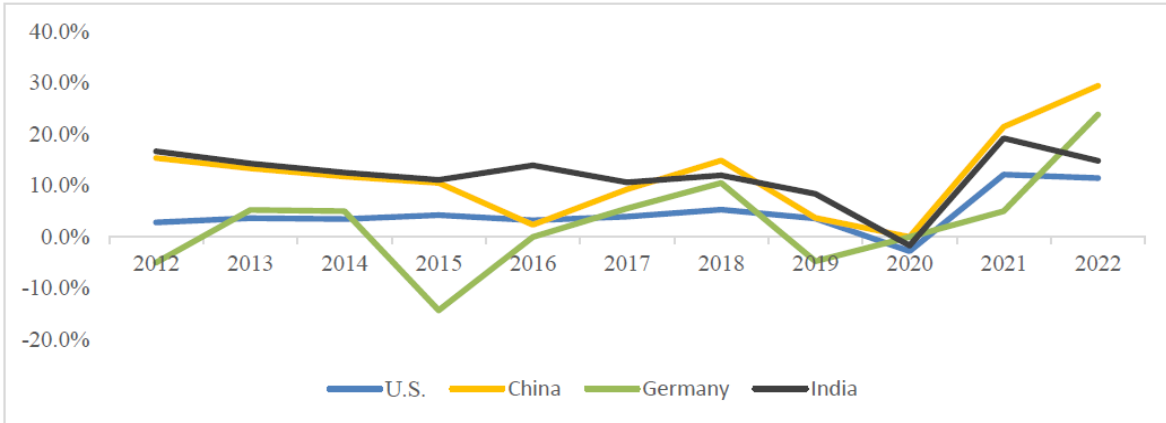
Source: World Bank, RBI, Technopak Research & Analysis

\* For India, CY 2011 refers to FY 2012 and so on, India Data in FY

1USD = INR 80

**Total Private Final Consumption Expenditure growth (%) (CY)**

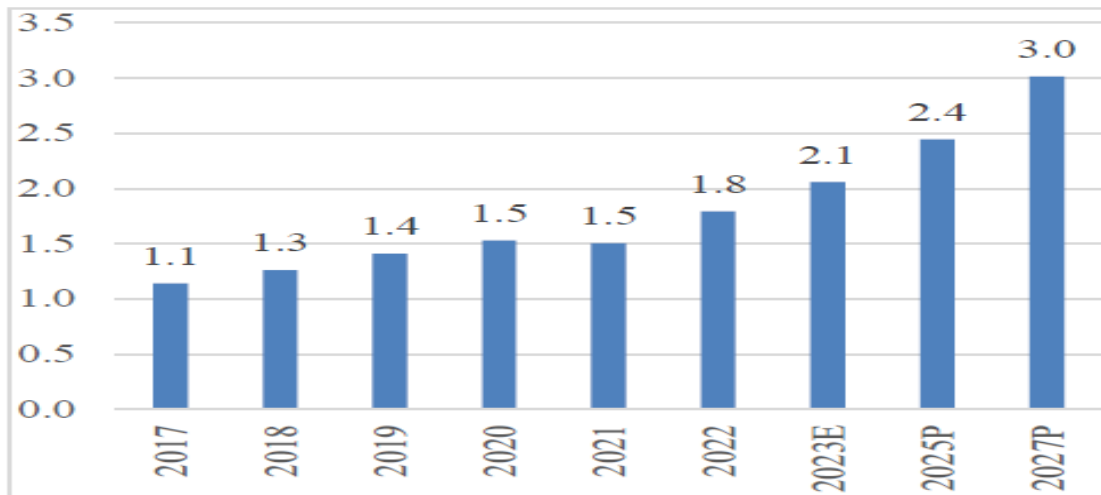
Country	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
U.S.	2.8%	3.6%	3.5%	4.2%	3.3%	3.9%	5.3%	3.6%	-2.8%	12.1%	11.5%
China	15.4%	13.3%	11.8%	10.5%	2.4%	9.3%	14.9%	3.7%	0.0%	21.4%	29.4%
Germany	-5.0%	5.3%	5.0%	-14.3%	0.0%	5.6%	10.5%	-4.8%	0.0%	5.0%	23.8%
India	16.7%	14.3%	12.5%	11.1%	13.9%	10.6%	12.0%	8.4%	-1.7%	17.1%	16.3%



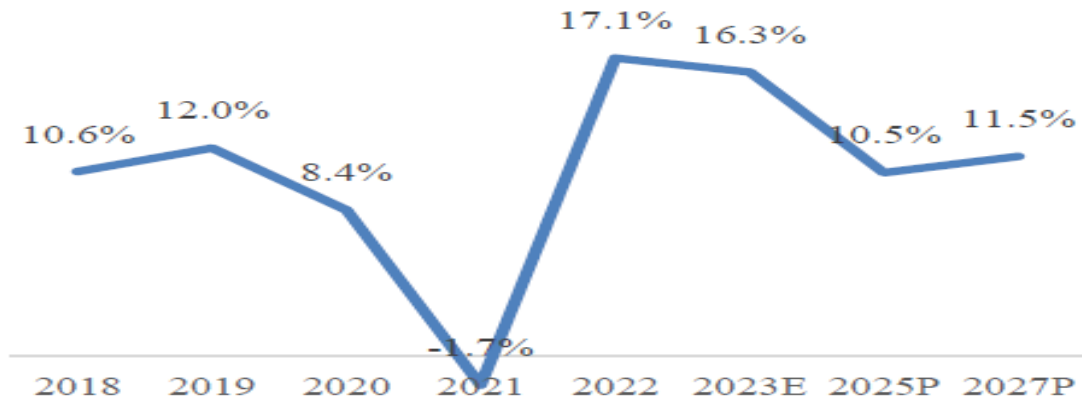
Source: World Bank, RBI, Technopak Research & Analysis  
 \* For India, CY 12 refers to FY 13 and so on, India Data in FY. 1USD = INR 80

Over the years, the growth rate of Total Private Final Consumption of India has always been the highest as compared to the other top economies in the world.

**Total Private Final Consumption Expenditure of India (Current Prices USD Tn) FY**



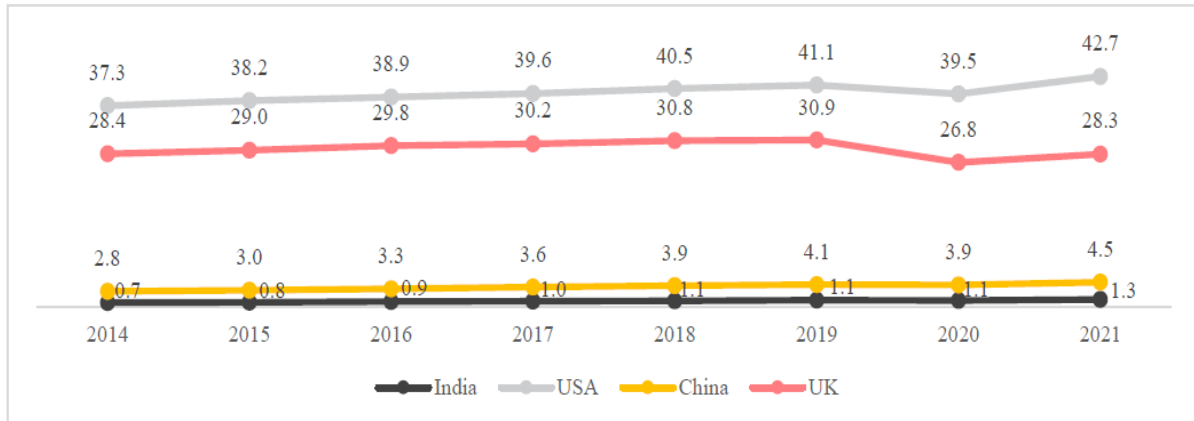
**Private Final Consumption Expenditure y-o-y growth rate of India (%)**





PFCE in India has exhibited varying y-o-y growth rates over the past few years. During FY 18 and FY 19, the PFCE grew by 10.6% and 12.0% respectively, indicating a robust expansion in consumer spending and a sustained momentum in private consumption. However, FY 21 witnessed a significant contraction in PFCE growth, with a y-o-y rate of -1.7% caused by the COVID-19 pandemic. Data for FY 22 estimate a substantial rebound with a growth rate of 17.1%, reflecting the anticipated revival in consumer demand as the economy recovers from the pandemic-induced downturn. With a projected growth rates of 10.5% in FY 25 and 11.5% in FY 27, it is forecasted to have a sustained positive trajectory for PFCE growth rate in India.

### Per Capita Final Consumption Expenditure



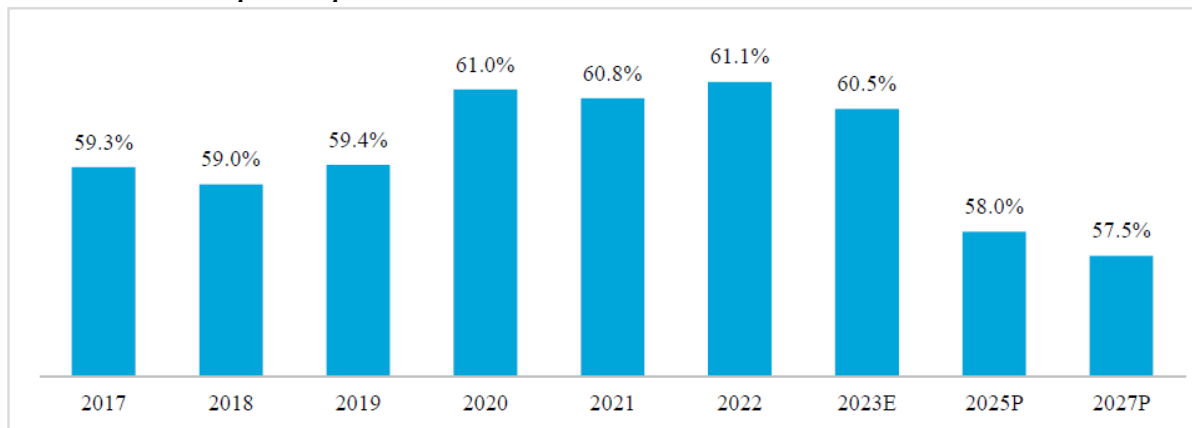
Source: RBI, World Bank, Note: Per capita consumption for countries other than India include per capita final consumption expenditure for NPISHs and households

Note: India's per capita consumption is at current prices while for other countries, it is at constant 2015 USD prices.

Note: CY 2014 represents FY 2015 and so on for India.

1USD = INR 80

### Private Final Consumption Expenditure to India's GDP



Source: Ministry of Statistics and Program Implementation

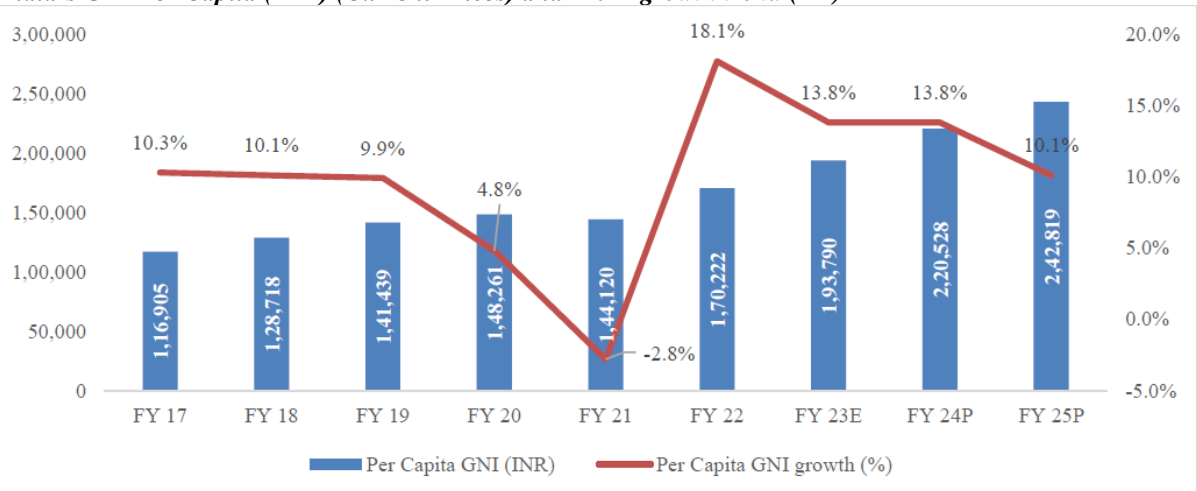
A high share of private final consumption expenditure to GDP indicates that the economy is driven by consumer spending, which can be a positive sign for economic growth. However, if the share of private consumption expenditure is too high, it can lead to inflationary pressures and an unsustainable economy. India's share of private final consumption expenditure to GDP has increased over the years and has recorded 61.12% in FY 22 from 59.34% in FY 17. As per Ministry of Statistics and Program Implementation report, the share of India's PFCE to GDP will account for approximately 60.55% in FY 23.

### Per Capita Income Growth

Income growth, presented by the GNI (Gross National Income) which is defined as the total amount of money earned by a country's businesses and individuals. India's gross national income growth with a CAGR of ~8% for the period FY 17 to FY 22 and is expected to continue the growth momentum with a CAGR of 12.6% from FY 22 to FY 25. Growing GNI is one of the strongest drivers for higher private consumption trends. The GNI per capita for the top five economies of the world such as the USA (USD 76,370), China (USD 12,850), Japan (USD

42,440), Germany (USD 53,390) and the UK (USD 48,890) is higher for CY 22 than that of India's GNI of USD 2,422 (INR 1,93,790) for a similar period of FY 23.

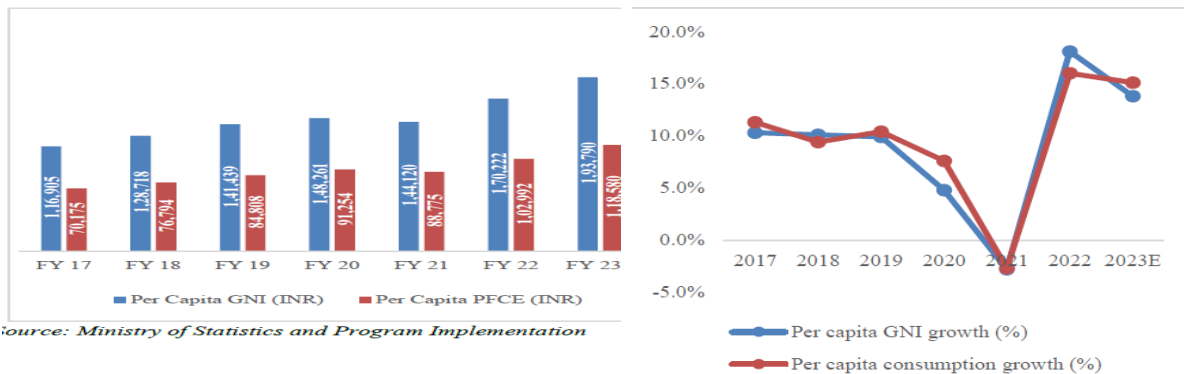
**India's GNI Per Capita (INR) (Current Prices) and Y-o-Y growth trend (FY)**



**Correlation between India's Per Capita income growth to per capita consumption growth**

In recent years, India has experienced a significant economic growth, with per capita income increasing from INR 1.16 lakhs in FY 17 to INR 1.70 lakhs in FY 22 and is expected to have reached INR 1.93 lakhs during FY 23. During this period, there has also been a corresponding increase in per capita consumption, as people have more money to spend on a variety of goods and services. The per capita PFCE of India increased from INR 0.70 lakhs in FY 17 to INR 1.02 lakhs in FY 22 and INR 1.18 lakhs in FY23. There is generally a positive correlation between a country's per capita income growth and per capita consumption growth.

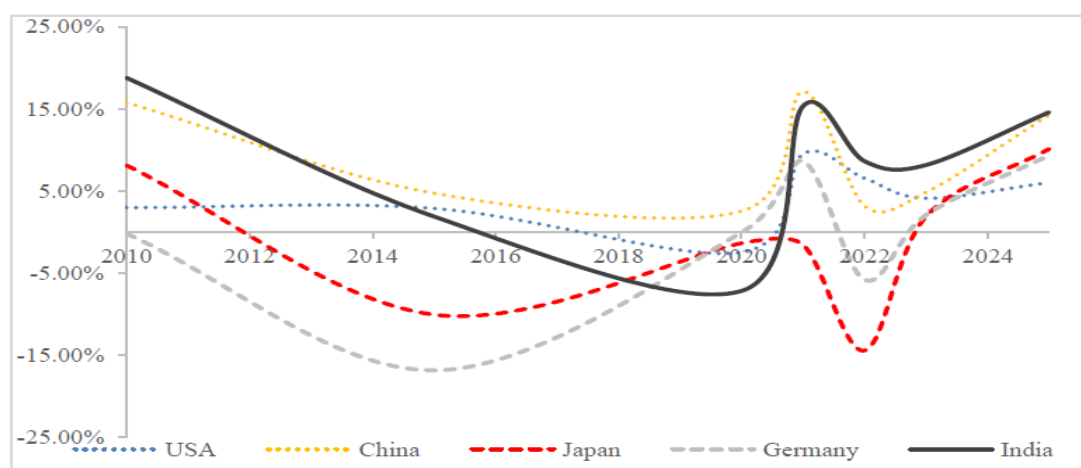
**Correlation between India's per capita income growth and per capita PFCE growth(%) (FY)**



Source: Ministry of Statistics and Program Implementation

India's Per Capita GDP has almost doubled from year 2010 to 2023. India's per capita income has grown at a CAGR of 6.50% from the period of CY 15 to CY 22 while the per capita GDP for other developed and developing countries such as US, China, Japan and Germany grew at the CAGR of 4.10%, 7.12%, -0.25% and 2.36% respectively over a similar time period of CY 15 to CY 22.

### Per Capita GDP growth rate of top 5 economy in the world (US\$)



	2010	2015	2020	2021	2022	2023P	2025P
USA	3.0%	2.9%	-2.5%	9.5%	6.6%	4.1%	6.0%
China	15.8%	4.7%	2.6%	17.1%	3.2%	4.8%	14.3%
Japan	8.1%	-10.1%	-1.4%	-1.5%	-14.4%	1.9%	10.1%
Germany	-0.2%	-16.8%	0.0%	8.7%	-5.8%	2.1%	9.4%
India	18.8%	1.9%	-7.2%	15.3%	8.6%	8.2%	14.6%

Source: IMF Projection

### Sectorial share of Gross value added (GVA)

The shares of the agriculture, industry and services sector in overall GVA (Gross value added) at current prices were 17.7 per cent, 27.6 per cent and 54.7 per cent respectively in FY24. GVA in the agriculture sector continued to grow, albeit at a slower pace. Erratic weather patterns during the year and an uneven spatial distribution of the monsoon in 2023 impacted overall output. This is reflected in the marginal decline in total foodgrain output for FY24 of 0.3 per cent as per the third advanced estimate of foodgrain production released by the Ministry of Agriculture and Farmers' Welfare (MoAFW).

Within the industrial sector, manufacturing GVA shrugged off a disappointing FY23 and grew by 9.9 per cent in FY24. Manufacturing activities benefitted from reduced input prices while catering to stable domestic demand. The input price advantage was reflected in the subdued growth in the Wholesale Price Index (WPI) inflation, which led to a deflator of (-)1.7 per cent for the manufacturing sector during FY24. Manufacturers also passed on the reduction in input prices to consumers, reflected in the sustained decline in the core consumer price inflation. The strength of manufacturing is further corroborated by the strong performance of the HSBC India PMI for manufacturing, which consistently remained well above the threshold value of 50, indicating sustained expansion and stability in India's manufacturing sector. Construction activities displayed increased momentum and registered a growth of 9.9 per cent in FY24 due to the infrastructure buildout and buoyant commercial and residential real estate demand.

### Outlook of the Indian Economy

The Indian economy recovered swiftly from the pandemic, with its real GDP in FY24 being 20 per cent higher than the pre-COVID, FY20 levels. This meant a CAGR of 4.6 per cent from FY20, despite a 5.8 per cent decline in FY21 inflicted by the pandemic. During the decade ending FY20, India grew at an average annual rate of 6.6 per cent, more or less reflecting the long-run growth prospects of the economy. This is the background against which we can see the prospects for FY25.

IMF projects the global economy to grow at 3.2 per cent in 2024, with risks being broadly balanced. The average annual global growth was 3.7 per cent during the decade ending FY20. Inflationary pressures have moderated in most economies with declining global commodity prices and easing of supply chain pressures. However, core inflation remains sticky and driven by high service inflation. Many central banks have hinted at the peaking of the interest rate hike cycle. The ECB has already cut the policy rate, while the Fed has hinted at reducing the rate in 2024. If the services inflation across economies moderates faster, that may allow central banks to bring forward

the monetary policy easing cycle earlier than currently anticipated. A likely reduction in policy rates by central banks of AEs, especially the Fed, will open the space for central banks of EMEs to follow the lead, bringing down the cost of capital.

On the downside, any escalation of geopolitical conflicts in 2024 may lead to supply dislocations, higher commodity prices, reviving inflationary pressures and stalling monetary policy easing with potential repercussions for capital flows. This can also influence RBI’s monetary policy stance. The global trade outlook for 2024 remains positive, with merchandise trade expected to pick up after registering a contraction in volumes in 2023. Conversely, increased fragmentation along geopolitical lines and renewed thrust on protectionism may distort merchandise trade growth, impacting India’s external sector. Global financial markets have scaled new heights, with investors betting on global economic expansion. However, any corrections in the elevated financial market valuations may have ramifications for household finances and corporate valuation, negatively impacting growth prospects. Hiring in the information technology sector had slowed down considerably in FY24, and even if hiring does not decline further, it is unlikely to pick up significantly. However, leveraging the initiatives taken by the government and capturing the untapped potential in emerging markets, exports of business, consultancy and IT-enabled services can expand. Despite the core inflation rate being around 3 per cent, the RBI, with one eye on the withdrawal of accommodation and another on the US Fed, has kept interest rates unchanged for quite some time, and the anticipated easing has been delayed.

Domestic growth drivers have supported economic growth in FY24 despite uncertain global economic performance. Improved balance sheets will help the private sector cater to strong investment demand. A note of caution is warranted here. Private capital formation after good growth in the last three years may turn slightly more cautious because of fears of cheaper imports from countries that have excess capacity. While merchandise exports are likely to increase with improving growth prospects in AEs, services exports are also likely to witness a further uptick. A normal rainfall forecast by the India Meteorological Department and the satisfactory spread of the southwest monsoon thus far are likely to improve agriculture sector performance and support the revival of rural demand. However, the monsoon season still has some ways to go. Structural reforms such as the GST and the IBC have also matured and are delivering envisaged results.

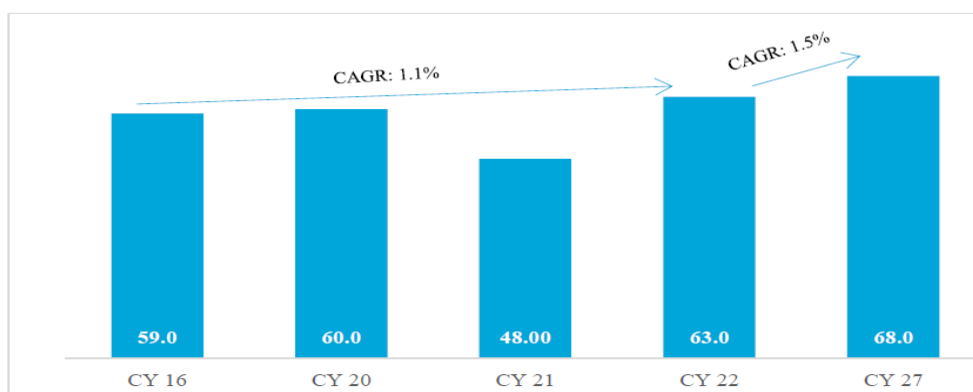
### Overview of Printing & Stationery Industry

Printing paper industry cover a wide range of product area such printing and writing paper, art and craft paper etc. The global printing and writing paper market size was valued at USD 63 billion in CY22 and projected to reach at USD 68 billion by CY27, expecting a CAGR of 1.5% between CY22 and CY27.

China and the U.S. are the world’s two major paper producing countries. While paper production in the U.S has decreased over the last decade, it has increased dramatically in China. The countries with the highest volumes of printing and writing paper consumption in 2021 were China (~23M tonnes), the United States (~12M tonnes) and Japan (~6.5M tonnes), with a combined 47% share of global consumption.

The Indian paper market accounts for approximately 5% to 6% of the world’s paper production and the per capita consumption of paper in India is around 15 kg, as compared to that of the global average of 57 kg.

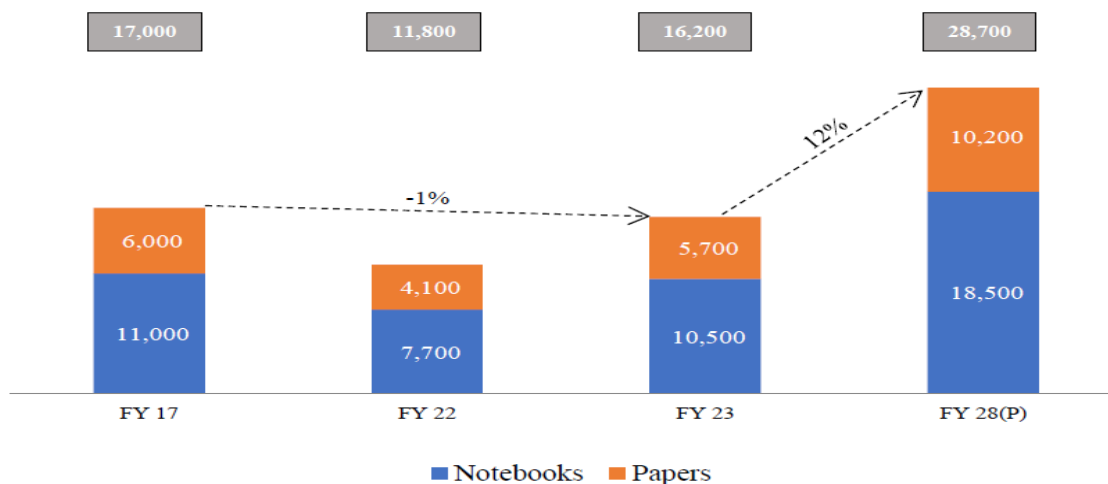
#### Market size for the global printing and writing paper market (USD bn)



### Indian Paper Stationery Market

Paper stationery market in India comprises of notebooks and papers. As of FY 23, the Indian domestic paper stationery market is INR 16,200 crore by value and is expected to grow at a CAGR of ~12% till FY 28 to reach a market value of Rs.28,700 crore. In FY 23, notebooks formed the major share within the paper stationery market, constituting ~65% (Rs.10,500 crore) by value and papers constituted ~35% (Rs. 5,700 crore) by value. In terms of volume, market size of notebooks is ~Rs.350 crore as of FY 23.

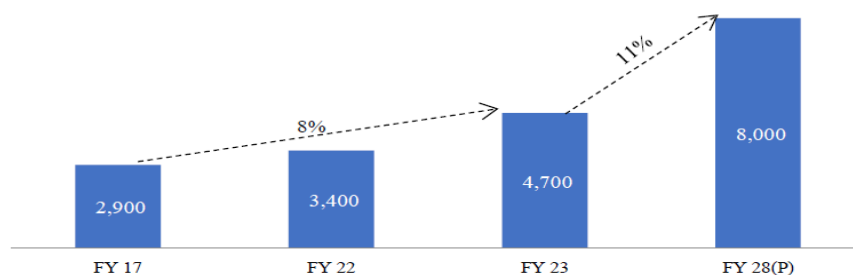
#### **Indian Paper Stationery Market – By Value (Rs.in Crore) in FY**



### Indian Office Supplies Market

Office supplies market in India comprises of files and folders, staplers, paper punches etc. As of FY 23, the Indian office supplies market is INR 4,700 crore by value and is expected to grow at a CAGR of ~11% till FY 28 to reach a market value of INR 8,000 crore.

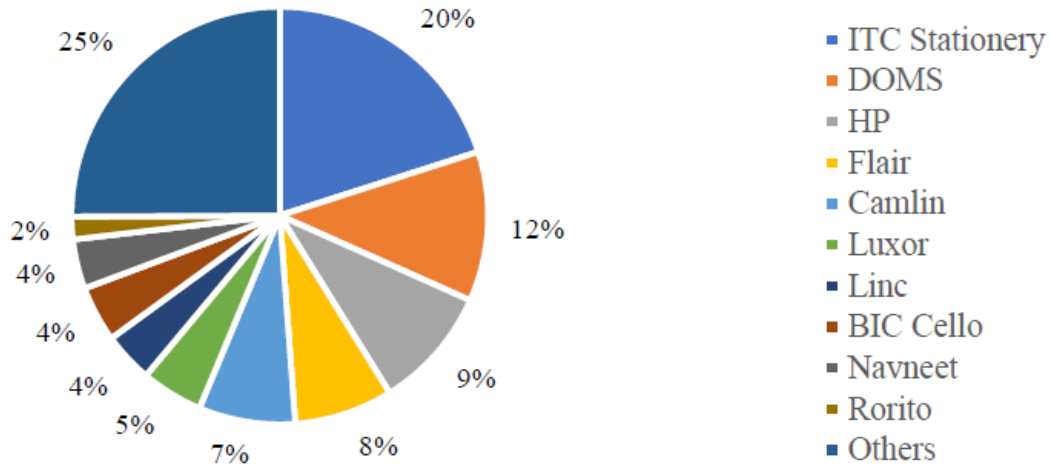
#### **Indian Office Supplies Market – By Value (INR Crore) in FY**



### Key Players in the Stationery and Art Materials Industry

Nearly 36% (~INR 13,850 crores) of the stationery and art materials market in India is controlled by branded peers in FY 23. Within the domestic market, ten players namely ITC, Hindustan Pencils, DOMS, Camlin, Flair, Luxor, Linc, BIC Cello, Navneet, Rorito garner ~ 75% market share. Basis revenue from operations in FY 23, ITC is the market leader having ~ 20% market share by value, followed by companies like DOMS (~ 12% market share), Hindustan Pencils (~ 9% market share), Flair (~ 8% market share) and Camlin (~ 7% market share).

**Market share of players in Domestic Branded market in India – By Value (in FY 23)**

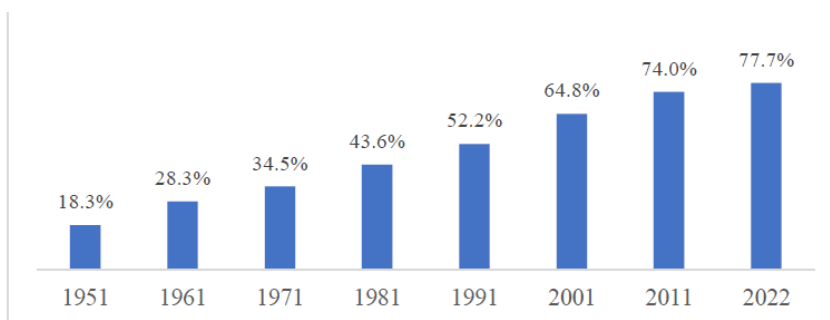


**Role of MSME – Indian Printing & Stationery Industry**

The MSME (Micro, Small, and Medium Enterprises) market within India's printing sector is expected to show notable growth in FY2024. The commercial printing market in India, which includes MSMEs, was valued at approximately USD 34.5 billion in 2023. It is anticipated to grow at a compound annual growth rate (CAGR) of about 3% from 2024 to 2032, driven by increasing demand for packaging, advertising, and publishing applications across various industries. The Indian printing sector is broad, encompassing several technologies such as lithographic, digital, flexographic, and screen printing. The MSME segment plays a significant role in this sector, especially in digital and screen printing, where lower capital investment and flexibility provide competitive advantages. Overall, the market size and growth potential for MSMEs in the printing sector in FY2024 appear promising, with advancements in printing technology and rising demand for high-quality print products further supporting this growth.

**Key growth drivers**

**1. Rising Literacy rate of India**



Source – (1951-2011): Census Documents, 2022: National Survey of India

Note: According to Census 2011, a person aged seven and above, who can both read and write with understanding in any language, is treated as literate.

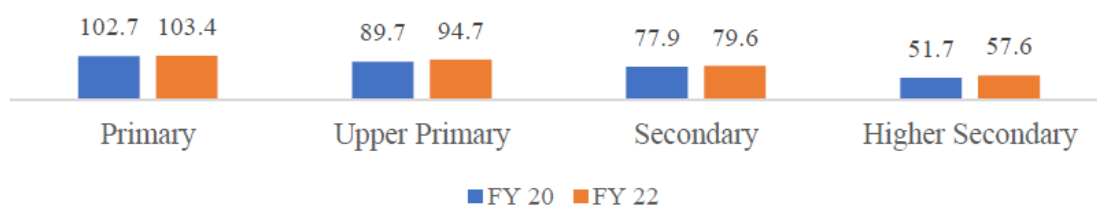
India's literacy rate in CY 22 was 77.7%, which was ~65% in CY 01. Various government initiatives for improving literacy such as New India Literacy Programme (NILP), Right to Education Act (RTE) 2009, Sarva Siksha Abhiyan, NIPUN Bharat Scheme etc. along with increasing investments by Central and State governments on education sector, have contributed immensely towards the growth in literacy rate. Therefore, this rising literacy

rate along with high population growth rate is going to provide a huge customer base for Indian stationery and art materials market in future, there by serving as a key growth driver.

## 2. Improvement in Gross Enrolment Ratio (GER) and increase in number of schools and institutions: -

As of FY 22, ~1 crore children were enrolled in pre-primary (<Class 1), ~12.2 crore in Primary (Class 1 to 5), ~6.7 crore in Upper Primary (Class 6 to 8), ~3.9 crore in Secondary (Class 9 to 10) and 2.9 crore in Higher Secondary (Class 11 to 12). GER is defined as total enrolment in a particular level of school education, regardless of age, expressed as a percentage of the population of the official age-group which corresponds to the given level of school education in a given school year. GER has increased from 102.7 in FY 20 to 103.4 in FY 22. Similarly, for Upper primary, GER has increased from 89.7 in FY 20 to 94.7 in FY 22 and for secondary, it has increased from 77.9 in FY 20 to 79.6 in FY 22. Higher secondary saw the highest increase in GER of ~11% from 51.7 in FY 20 to 57.6 in FY 22. As of FY 22, there are 26.5 crore student studying across 14.9 lakh schools in India. As of FY 21, ~4.1 crore students are studying in higher education across 56,200 higher education institutes in India. Such larger number of schools and institutions along with improvement in GER is going to immensely increase the consumer base for stationery products, there by driving its demand.

### *School Gross Enrolment Ratios in FY*



## 3. Integration of arts and crafts in school curriculums

Continuous emphasis is being given to arts and crafts education in school curriculums as it helps in developing basic skills including creativity and thinking from a young age. Parents are also realizing the importance of overall personality development from a young age and hence are encouraging their children to undertake extracurricular activities such as art and craft projects.

## 4. Increasing private coaching segment

In India, many students opt for private tuition and coaching at school and university level for preparation of school exams, board exams, competitive exams etc. As a result of which many private coaching institutions and ed-tech companies are opening now a days. This had led to increase in per person spending on stationery items as additional notebooks, pens, pencils etc. are required for coaching. Additionally, such institutes and ed-tech companies give branded kits to their students including notepads, pens, highlighters etc. As of CY 22, the market size of Indian coaching industry is ~INR 58,100 crores by value, which is projected to reach ~INR 1,34,000 crores by CY 28. This is going to drive the demand for stationery products in India.

## 5. Impulse Purchase

Impulsive purchase is high in the stationery category. People tend to purchase pens, pencils, notebooks etc. at retail store without any prior planning. Macro factors such as increasing disposable income, increase in per capita income, improvement in living standards etc. are further increasing the impulse purchase in this category. Such consumer behavior is likely to drive the Indian stationery and art materials market by volume, thereby increasing its size by value.

## 6. Policy Reforms

Various policy reforms have been incorporated by Government of India (GOI) to develop education infrastructure and improve teaching and learning accessibility. Such interventions are going to contribute towards the growth of education industry in India. As of FY 22, the Indian educational industry is valued at INR 10,55,340 crores, which is expected to grow at a CAGR of 14% to reach INR 20,29,500 crores by FY 27. Such growth in educational industry is going to boost the demand for stationery products in India.

**New India Literacy Programme:** This is a centrally sponsored scheme, which aims to support the States and Union Territories in promoting literacy among non-literates in the age group of 15 and above. The scheme has been approved with a financial outlay of ~Rs 1,038 crores including Central share of Rs 700 crores and State share of Rs 336 crores. The scheme will cover 5 crore non-literates during the implementation period from CY 22 to CY 27.

**National Education Policy 2020:** This policy aims at reforming Indian education system by ensuring universal access of world-class education at all levels of schooling from pre-primary school to Grade 12, by ensuring quality early childhood care and education for all children between 3-6 years etc.

**Samagra Shiksha Scheme:** The scheme is an overarching programme for the school education sector extending from pre-school to class 12. It has been prepared with the broader goal of improving school effectiveness measured in terms of equal opportunities for schooling and equitable learning outcomes. Under this scheme, GOI has approved a financial outlay of Rs 2,94,283 crores from CY 21 to CY 26.

**NIPUN Bharat Programme:** The main objective of the programme is to ensure that every child in the country attains foundational literacy and numeracy by the end of Grade 3, by CY 27.

**SWAYAM (Study Webs of Active Learning for Young Aspiring Minds):** SWAYAM is an Indian Massive Open Online Course (MOOC) platform, offering free access to quality online courses from Class 9 till postgraduation to all, especially the underprivileged section in the country.

**PM POSHAN:** Earlier known as the Mid-day Meal Scheme, PM POSHAN is an initiative designed to enhance the enrolment, retention and attendance and simultaneously improve nutritional levels among school going children studying in Classes I to VIII. The PM POSHAN scheme covers 12 crore children in India and is considered to be one of the world's largest school meal programmes.

## 7. CSR Initiatives by different companies with focus on education

Many companies are making substantial investments to improve the quality of education in India, as a part of their mandatory CSR activities, which includes conducting school enrolment awareness programs/events, giving scholarships (merit and need based assistance), improving the infrastructure of schools, and providing a pleasant learning environment to children etc. For example, the CSR initiative named "School and Teacher Education Reform Programme" by ICICI Bank has covered 3 million+ students and ~3 lakhs teachers have benefitted out of it. Through "Project Nanhi Kali", which is a CSR initiative by Mahindra group to support education for underprivileged girls in India, ~5,50,000+ girls have benefitted since 1996. Such activities are going to boost the institutional / B2B demand for stationery products in India.

### Key Challenges

#### 1. Volatility in prices of raw materials

These volatility in prices poses key challenge to stationery manufacturers as increase in price of paper pulp leads to increase in raw material costs. This increase can either be passed on to the consumer or absorbed by the manufacturer or a combination of both. In volume driven category, where price point becomes critical, the corresponding increase in raw material costs is primarily absorbed by the manufacturers, thereby impacting the overall margin structure of the players. However, in high margin products, the corresponding increase in raw material cost is also passed on to the consumers. Therefore, the industry follows a combination of both absorption of costs and passing on the increase in cost to consumers.

#### 2. Intense Competition

Several companies have entered the stationery market with attractive and differentiated offerings at similar / lower price points, thereby, compelling existing players to come up with continuous innovation in order to maintain and grow their market share. Many companies are also diversifying into new stationery categories in order to increase their market share. Additionally, branded players through above the line (ATL) focused brand building are concentrating on further increasing their market share in stationery market. All these have given rise to intense competition in stationery market in India.



### 3. Digitalization

Digitalization is transforming the education ecosystem works, with increased adoption of digital technologies in corporates, schools, and colleges. The degree of digitalization is higher in case of corporates, because of which there has been some impact on paper stationery products, office supplies etc. While in education sector, digitalization is happening at a faster rate, which was clearly visible during Covid, but after reopening of schools, colleges, and offline coaching post covid, the usage of digital technologies has been limited. Therefore, in future both conventional stationery and digital technologies will go hand in hand in Indian education sector with conventional stationery being prevalent.

### 4. Competitive Landscape

There are many fundamental and long-term macro drivers and opportunities such as increase in gross enrolment ratio, increase in number of schools and institutions, various policy reforms by Government of India to develop education infrastructure in the country etc. that are going to drive the growth of stationery market in India. Various branded players like DOMS, JK paper, ITC paper & note book, etc. are focusing on brand building and are positioning themselves as reliable brands delivering products which are aesthetically designed and have good functionalities, as well as coming up with innovative and creative stationery products at similar price points.

### 5. Presence of MSME in value chain

The presence of MSMEs (Micro, Small, and Medium Enterprises) in the value chain of the printing industry in India is significant and spans across various stages, from raw material procurement to final product distribution. MSMEs play a crucial role in the overall efficiency, innovation, and competitiveness of the printing industry. Here's a breakdown of their involvement:

#### i. Raw Material Supply

**Paper and Inks Suppliers:** Many MSMEs operate as suppliers of raw materials such as paper, inks, and other consumables used in the printing process. These suppliers often cater to local and regional printers, providing materials in smaller quantities compared to large-scale suppliers.

**Recycling and Eco-Friendly Materials:** Some MSMEs focus on supplying recycled or eco-friendly raw materials, contributing to the industry's shift towards sustainable practices.

#### ii. Pre-Press Services

**Design and Typesetting:** MSMEs are heavily involved in pre-press services, offering design, typesetting, and layout services. These services are essential for creating the final print-ready files and often require specialized skills in graphic design and software like Adobe InDesign or CorelDRAW.

**Proofing and Prototyping:** MSMEs also provide proofing and prototyping services, where they produce sample prints for clients to review before the final print run. This stage is critical for quality control and ensuring that the client's requirements are met.

#### iii. Printing Process

**Digital Printing:** A large number of MSMEs specialize in digital printing, which is ideal for short-run, quick-turnaround jobs. Digital printing is more accessible for MSMEs due to lower initial investment compared to traditional offset printing.

**Offset Printing:** While more capital-intensive, some MSMEs have invested in offset printing presses, catering to larger print runs. They often serve niche markets or specific geographical areas where competition from larger players is less intense.

**Specialized Printing Services:** MSMEs are also active in providing specialized printing services, such as screen printing, flexographic printing, and gravure printing, often for specific applications like textiles, packaging, or labels.

#### iv. Post-Press and Finishing

**Binding and Finishing Services:** MSMEs provide a range of post-press services, including binding, laminating, die-cutting, embossing, and other finishing techniques that add value to the printed product. These services are crucial for products like books, brochures, and packaging materials.

**Customization and Personalization:** MSMEs are often involved in the customization and personalization of printed products, such as personalized stationery, custom packaging, and promotional materials. This is a growing segment, driven by the increasing demand for unique and tailored products.

#### v. Distribution and Logistics

**Regional and Local Distribution:** MSMEs play a key role in the distribution and logistics of printed products, particularly within regional and local markets. They often work closely with clients to ensure timely delivery and may offer additional services such as warehousing and inventory management.

**Export and Niche Markets:** Some MSMEs have tapped into export markets, particularly for high-quality, specialized printing products. This includes niche segments like luxury packaging, art prints, and bespoke publishing, where Indian MSMEs have carved out a reputation for craftsmanship and quality.

#### vi. Innovation and Technology Adoption

**Adoption of New Technologies:** MSMEs in the printing sector are increasingly adopting new technologies, such as digital printing, 3D printing, and eco-friendly printing methods. This adoption helps them remain competitive, particularly in niche markets where customization and flexibility are valued.

**Research and Development:** Although limited by resources, some MSMEs invest in R&D to develop new printing techniques, materials, or services that can set them apart from larger competitors. This can include innovations in sustainable printing or the integration of digital technologies with traditional printing methods.

#### vii. Market and Customer Relationship

**Customer-Centric Services:** MSMEs often have closer relationships with their clients compared to larger firms. This allows them to offer more personalized services, understand specific customer needs, and provide flexible solutions. Their ability to quickly adapt to changing client demands is a significant competitive advantage.

**Small-Scale and Niche Market Focus:** Many MSMEs focus on serving small-scale businesses or niche markets that may be underserved by larger players. This includes local businesses, regional publications, and customized printing needs for events or small batches.

#### viii. Major end-user of the printing

The major end-user segments of the MSME printing sector in India are diverse, reflecting the broad applicability of printing services across various industries. Each segment has its own unique demands, trends, and growth prospects. Below is an overview of the key end-user segments and their outlook:

#### Outlook

From FY20 to FY24, the MSME printing sector in India has navigated through significant challenges, including the pandemic-induced downturn, but has shown resilience and adaptability. The sector is now on a growth trajectory, supported by technological advancements and a recovery in key demand areas like packaging and advertising.

The future of the printing & stationery industries in India is promising, driven by factors such as the growing education sector, advancements in technology, and the increasing demand for sustainable and personalized solutions. By embracing innovation, adopting eco-friendly practices, and leveraging technological advancements, businesses in these industries can thrive and meet the evolving needs of consumers. As India continues to

experience economic growth and a rising middle class, the printing sectors are poised for continued success and expansion.

## **Commercial Printing Segment**

### Commercial Print Products

Commercial printing handles business cards, postcards, banners, posters, maps, flyers, training materials, catalogs, and much more. Printing possibilities are constantly changing as technology advances and as companies have new ideas for communicating with consumers. Every industry has varying print products – each piece of printed material creates opportunities for branding, messaging, and sales.

#### **Medical Industry**

- Instruction Manuals
- Educational Brochures
- Business Cards
- Statement Envelopes
- Appointment Cards

#### **Publishing Industry**

- Journals
- Magazines
- Manuals
- Business Cards
- Catalogs
- Flyers

#### **Food & Beverage Industry**

- Menus
- Table Tents
- Direct Mail
- Restaurant Placemats
- Posters
- Banners

#### **Hospitality Industry**

- A. Key Card Holders
- B. Local Maps
- C. Travel Brochures
- D. Invitations
- E. Door Hangers

#### **Real Estate Industry**

1. Flyers
2. Floor Plans
3. Notepads
4. Brochures
5. Business Cards
6. Newsletters & Announcements

### Types of Commercial Print

#### 1. Offset Printing

Offset printing is a popular printing process for commercial printers because it can produce a large volume of high quality vibrant prints. Offset printing, also known as offset lithography printing, gives printing technicians significant control over colors. While this printing process offers a large selection of final printing materials, it can be expensive and time-consuming. Offset lithography is commonly used to print books, newspapers, posters, magazines, and brochures.

Offset printing is a process that uses image transfer to create the final product. First, a metal printing plate containing the images is inked then that inked metal plate transfers the image onto a rubber blanket or roller. Finally, the image is transferred to the final printing surface.

## 2. Digital Printing

Digital printing has recently become very popular because this process is cost-effective and faster than lithography printing. Instead of using printing plates, digital printers print directly onto the final printing product using lasers and toners. This allows for personalization, short runs, and the ability to personalize prints. Digital printing is used to print a variety of items like posters, newsletters, menus, labels, letters, booklets, and business cards.

## 3. LED UV Printing

LED UV printing is an advanced printing technology. It uses LED lights to print on special paper in an extremely timely manner with quick printing and drying abilities. This printing method is popular in the printing industry because its quality is nearly unmatched. The sharp and vivid prints produced by a LED UV printer also use less power than other printing processes making it an eco-friendly choice for businesses. Items LED UV printers produce are higher-end items such as catalogs, magazines, leaflets, and more.

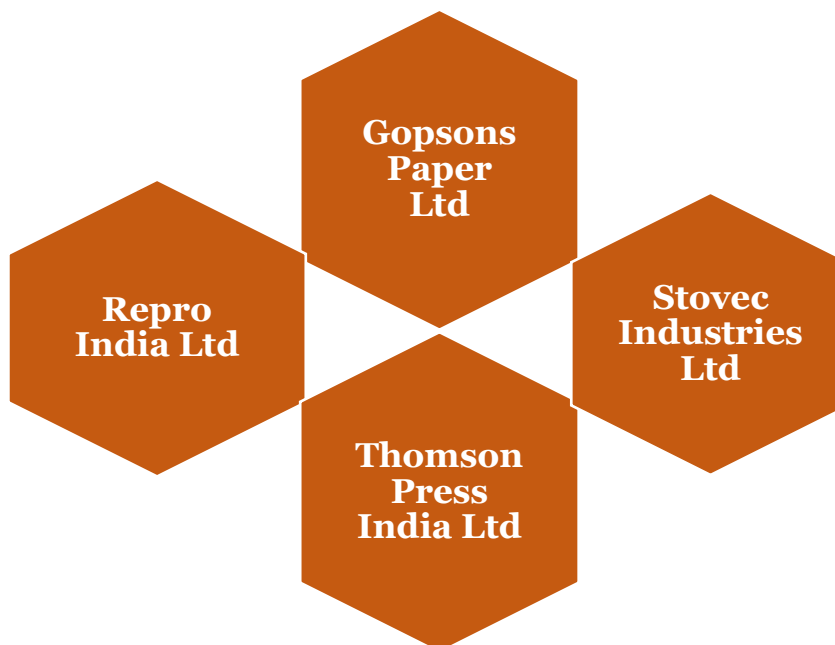
## 4. Flexographic Printing

Flexographic printing is a fast process that uses a series of rollers and plates to transfer inks onto the final substrate. The flexographic printing process, also known as flexo printing, can be used to print onto labels cartons, plastic, cardboard, fabric, metal, and laminates.

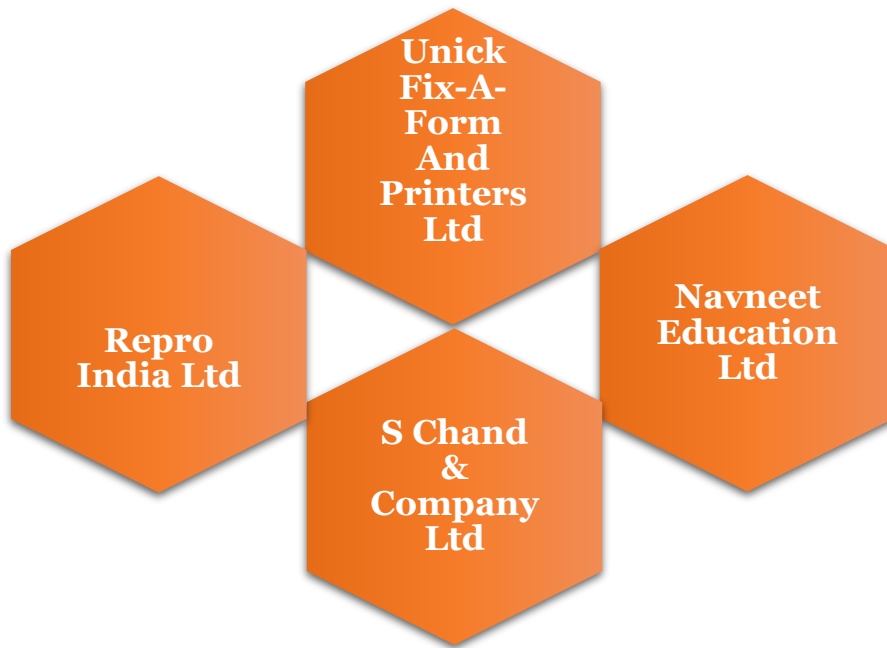
## 5. Large Format Printing

Large format printers can be offset, digital, LED UV, or flexographic. What makes this commercial printing process worth mentioning is the fact that there is specialized equipment required for large-format printing. When businesses are looking to print large banners, signage, wallpaper, floor stickers, trade show displays, and billboards they have to order these prints through a commercial printer that has large format printing capabilities. Large format print is also referred to as wide format print.

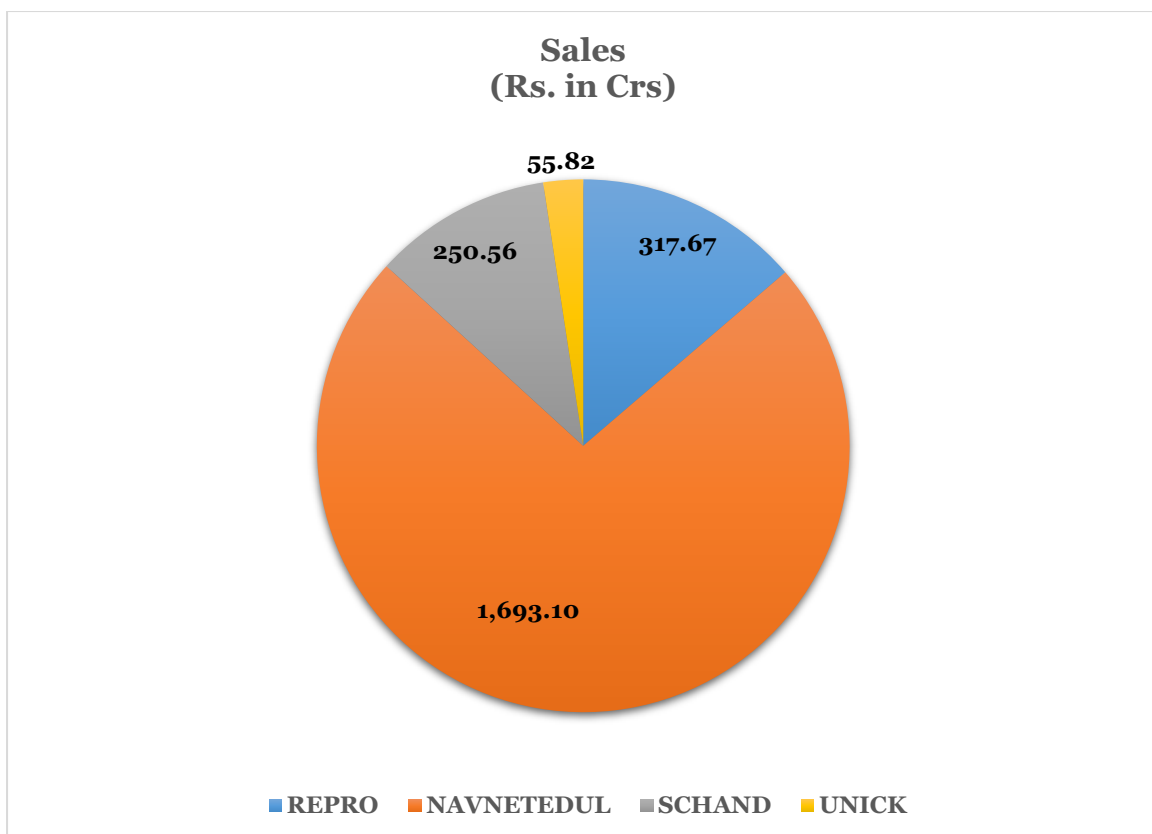
### ***Major Player in Commercial Printing Industry (including listed and unlisted)***



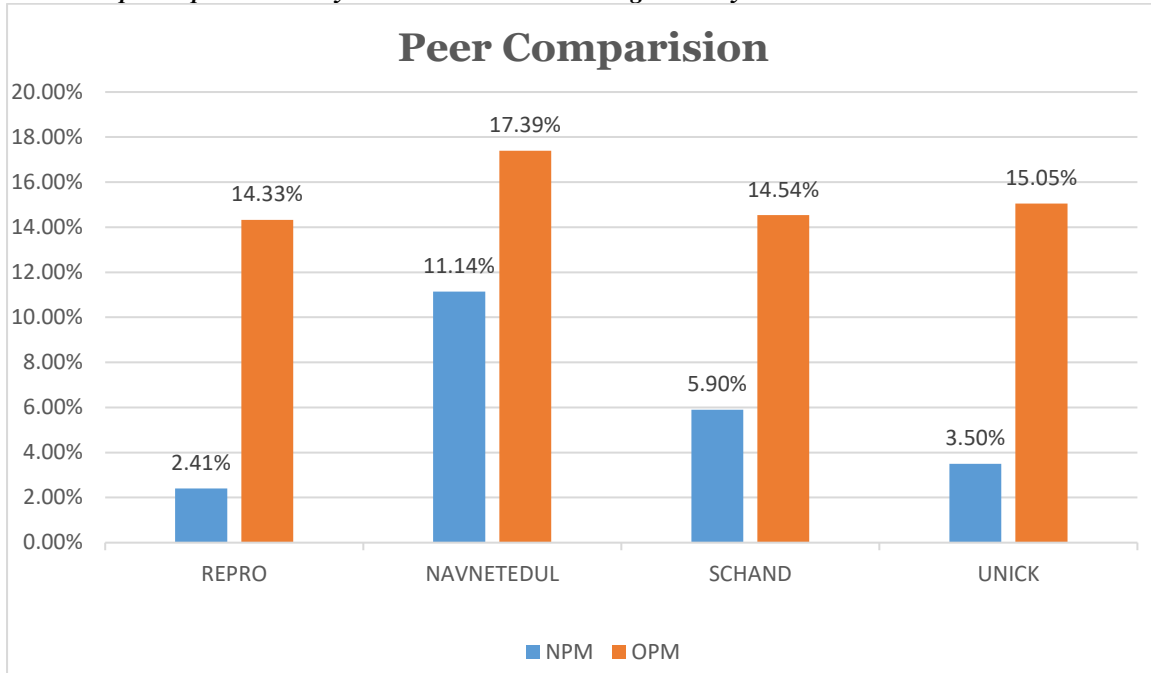
*Listed Major Companies in Commercial Printing*



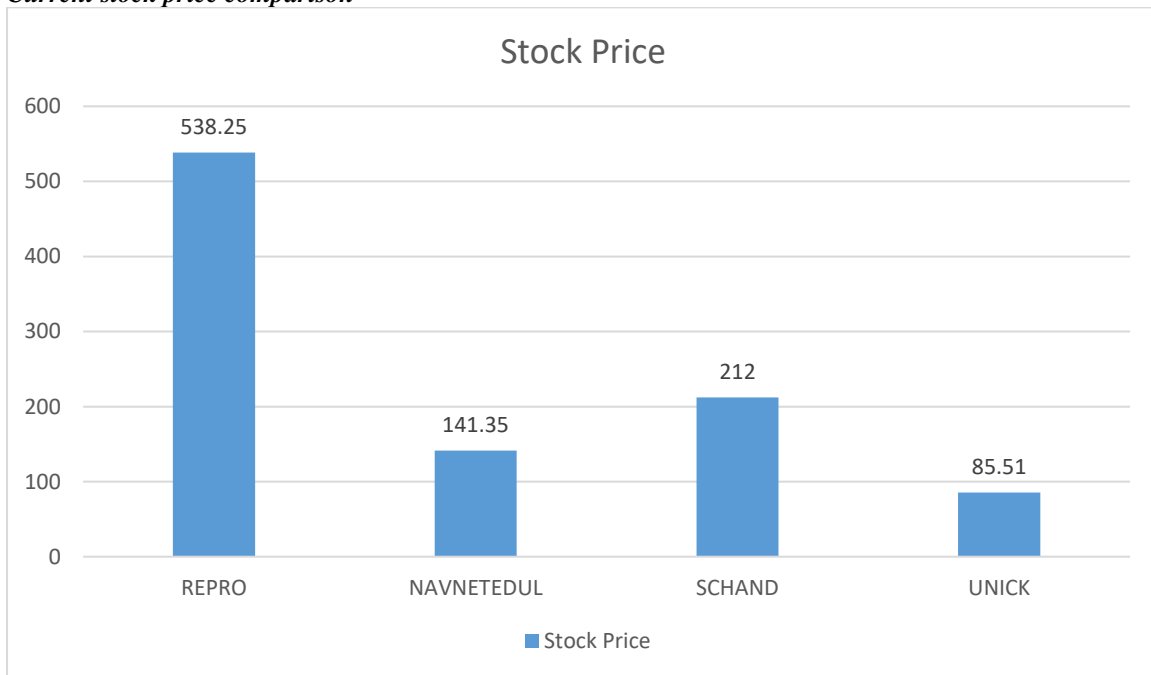
*Latest Sale Volumes of Listed Companies in Commercial Printing*



**Peer Group Comparison Analysis in Commercial Printing Industry**



**Current stock price comparison**



**Latest Industry Scenario**

The global stationery and art materials market, valued at USD 192 billion in 2022, is projected to reach USD 220 billion by 2027, at a CAGR of 2.8%. The Asia-Pacific region leads this market, followed by North America, with a significant shift towards Asian countries in recent years. By 2027, Asia is expected to contribute over 50% of the global market, driven by key players like China, Japan, India, and South Korea. India, boasting a flourishing stationery industry and abundant raw materials, has emerged as a key export hub. This segment is further buoyed by Government initiatives such as the 'Make in India' programme. Indian manufacturers prioritize detail, craftsmanship, and quality, appealing to discerning customers worldwide. India has also made significant strides in offering eco-friendly and sustainable stationery products which aligns with the growing demand for environmentally conscious stationery products worldwide

## India's latest stand in the Commercial printing & Stationery Business

The Indian stationery industry reached a valuation of USD 4 billion in 2022 and is projected to expand at over 10% yearly to surpass USD 6 billion by 2025. The demand for stationery products is growing rapidly in developing countries like India, with an increase in the number of educational institutes, corporates, and offices. There is a significant increase in disposable incomes with the expansion of the Indian economy, leading to a shift in consumer preference towards higher quality, premium and

branded stationery options. Moreover, leading organized players are developing and introducing innovative products including sustainable and eco-friendly variants to retain their competitive edge. The rise of e-commerce platforms like Amazon and Flipkart has transformed consumer behavior, offering a wide range of products at competitive prices with doorstep delivery. Government initiatives for improving literacy, such as the New India Literacy Programme (NILP) and the Right to Education Act (RTE) 2009, along with schemes like Sarva Siksha Abhiyan and NIPUN Bharat Scheme, are making significant contributions. Increasing investments in education by the Central and State Governments are further bolstering the growing literacy rate. With an increasing literacy rate and population growth, the Indian stationery and art materials market is poised for substantial expansion in the future.

### Outlook

India's stationery exports have been growing steadily in recent years. This can be attributed to several Government initiatives to promote exports, the China +1 strategy, favorable market trends, and the industry's commitment to innovation and quality.

With the global stationery market projected to grow steadily, India's strategic position as a key export hub is set to strengthen further. The Indian stationery market is projected to achieve a CAGR of 8.2% during 2023-2029. Key factors that will continue to drive demand in India are increased urbanization, increasing penetration of e-commerce, a young population, growing literacy rates, and rise in disposable income. All these factors have created a conducive environment for the growth of the stationery market. This growth has resulted in companies in the stationery sector experiencing overwhelming over subscription rates, reaching up to 93 times.

**Note: The industry is fragmented and unorganized, so no Company specific data has been included.**

**Sources:** <https://greenportfolio.co/newsletters/Stationeryand-Printing-Sector-in-India-The-Pen-Mightier-Than-The-Sword/#:~:text=The%20stationery%20and%20printing%20ector,educational%20institutions%20and%20various%20offices,https://www.imarcgroup.com/india-school-stationerysupplies-market,https://www.prnewswire.com/news-releases/india-stationery-market-2023-2029-market-forecast-by-typespaper-stationery-non-paper-stationery-and-applicationseducational-stationery-office-stationery-others-301999712.html>

## **Indian Packaging Industry**

The scope of the packaging market in India is promising, presenting lucrative opportunities for businesses across various sectors.

In India, this sector has witnessed significant growth in recent years, driven by factors such as rising consumerism, urbanization, e-commerce boom, and a growing middle class. In this blog we, you will get understand what growth potential, the packing industry holds, what is sustainable packaging along with various options available under sustainable packaging and some data points related to sustainable packaging on a global scale.

Packaging is the fifth largest sector in India and is one of the highest growth sectors in the country. According to the Packaging Industry Association of India (PIAI), the sector is growing at CAGR 22% to 25%.

According to the Indian Institute of Packaging (IIP), the packaging consumption in India has increased 200% in the past decade, rising from 4.3 kg per person per annum (pppa) to 8.6 kg pppa as on FY20.

MSMEs in the packaging industry often drive innovation and the adoption of sustainable practices. They are more agile and responsive to market demands, making it easier for them to experiment with new materials, designs, and eco-friendly packaging options. Many MSMEs lead the way in developing biodegradable, compostable, or recyclable packaging alternatives.

This industry is focusing on packaging that not only protects the product but also enhances its visual appeal to capture consumer attention. This trend is expected to drive the growth of SMEs in packaging industry.

Globally, the packaging industry sector has positioned itself as one of the fastest growing industry across all countries. The industry is worth over \$ 917 billion (in 2019), growing at CAGR 2.8% to reach to \$ 1.05 trillion by 2024.

### Scope of MSME in Packaging Industry

#### 1. Rapidly Expanding Consumer Goods Sector

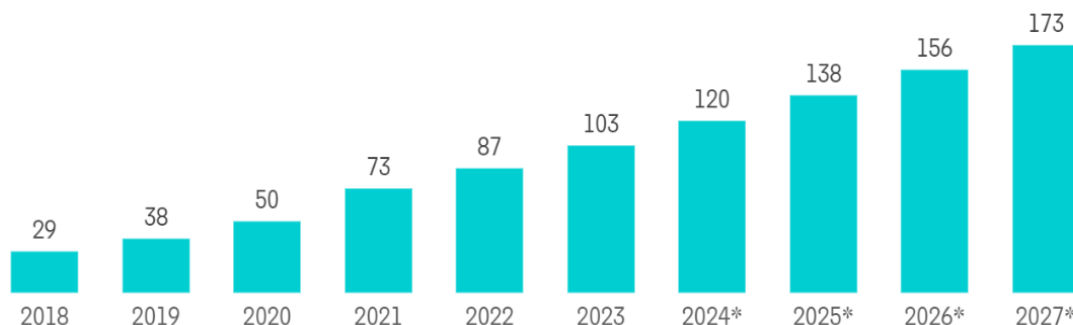
India's consumer goods sector has been expanding at an impressive rate, fueled by increasing disposable incomes and changing lifestyles. This growth has created a significant demand for innovative and attractive packaging solutions.

#### 2. E-commerce Revolution

The rapid growth of e-commerce has revolutionized the way goods are packaged and delivered. With more consumers embracing online shopping, the need for secure and efficient packaging solutions has soared. As e-commerce continues to expand, the packaging market will witness a substantial boost. The growth of individual end user segments of food, beverages, FMCG and pharmaceuticals will trickle down into rising demand of packaging solutions.

Online retail sales in India generated USD 103 billion in 2023. As the country's e-commerce industry grows rapidly, corrugated boxes have adapted to meet the increasing demand for efficient and reliable packaging solutions.

#### *Market size of Online Retail Industry, in USD Billion, India, 2018-2027*



#### 3. Growing Food and Beverage Sector

India's food and beverage industry is experiencing remarkable growth, driven by factors such as changing dietary patterns, urbanization, and a rise in the number of quick-service restaurants. As a result, there is a rising demand for packaging solutions that extend the shelf life of food products, maintain their quality, and provide convenient options for on-the-go consumption. The packaging market stands to benefit significantly from this flourishing sector.

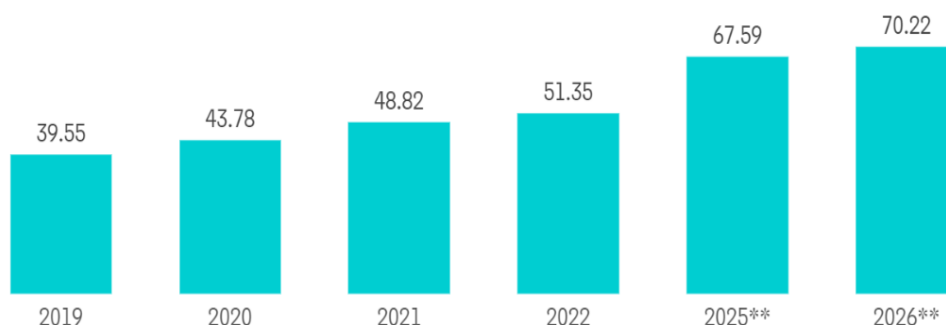
Paper based packaging has become crucial in various sectors of India's food industry, including bakeries and snacks. Paperboard tubes offer several advantages, particularly in packaging dry goods such as spices, tea, and snacks. Their cylindrical shape provides efficient storage and transportation, maximizing shelf space and minimizing.

Food producers, especially prominent FMCG brands, have set ambitious targets to reduce the use of plastics in food packaging and adopt new eco-friendly materials. Consequently, paper-based packaging materials are gaining popularity in India.



Paper based packaging aligns with the needs of food service outlets, such as restaurants and fast-food chains. The increasing demand for fast food among India's youth has driven a surge in demand for effective packaging solutions, especially for moist or greasy items like pizza and cakes.

**Market value of Packaged Food, In USD Billion, India, 2019-2026**



**Note: The industry is fragmented and unorganized, so no Company specific data has been included.**

**4. Pharmaceutical Packaging**

The pharmaceutical industry in India is expanding rapidly, driven by factors such as increasing healthcare awareness, a growing elderly population, and the rising prevalence of chronic diseases.

Effective packaging is critical in ensuring the safety, stability, and integrity of pharmaceutical products. As the healthcare sector continues to thrive, the demand for reliable and innovative packaging solutions will only increase.

**5. Sustainable Packaging Solutions**

In recent years, there has been a growing awareness of environmental issues and a shift towards sustainable practices.

Trend of Packaging Industry

Demand for consumer packaging in India grew at a CAGR of 3.2% from 2019 to 2023. Total valuation in the nation reached around US\$ 53.5 billion in 2023.

The country's government's focus on diversifying its domestic production capabilities initially paved the way for noticeable growth in India's packaging industry.

Supportive government policies promoting local packaging innovation and exports further boosted the consumer packaging industry's growth.

The e-commerce boom enhanced accessibility and convenience for consumers to purchase products online. This consequently fueled the demand for consumer packaging solutions in India.

Increased sales of pharmaceutical packaging in India during the COVID-19 pandemic.

In the assessment period, India's consumer packaging industry is poised to exhibit a CAGR of 5.7%, totaling a valuation of US\$ 92.8 billion by 2034. This growth is expected to be propelled by factors like:

- Growing demand for packaged food products
- Transition towards sustainable packaging in India
- Ongoing advancements in packaging technology
- Rising need for consumer goods packaging across India

India is emerging as a profitable pocket for consumer packaging solutions with convenient features like resealable zippers, easy-open tabs, resealable zippers, and portion control. This is due to the robust expansion of industries like food & beverages, consumer electronics, and booming e-commerce.

Succeeding in India's packaging industry is difficult, especially due to the enforcement of stringent regulations on plastic usage. As a result, top consumer packaging manufacturers in the nations are using recyclable and sustainable materials in packaging. This will bode well for the target industry during the forecast period.

#### End users of Packaging Industry and outlook

The food & beverage industry in India is experiencing steady growth, driven by factors like urbanization and supportive government policies. This is expected to propel sales of food packaging in India during the forecast period.

Consumer packaging for beverages is anticipated to remain a leading segment, expanding at a resounding CAGR of 7.8% during the forecast period. This growth is mainly influenced by the growing consumption of alcoholic and sports drinks by the nation's youth.

The homecare & toiletries segment is also forecast to grow at a significant CAGR of 7.6% during the next ten years. This is due to the increasing demand for aesthetic packaging from the thriving personal care industry in the country.

According to the India Brand Equity Foundation (IBEF), India will make up 5% of the overall cosmetic industry, securing a position among the top five global industries in terms of revenue. This will likely create growth prospects for consumer packaging manufacturers.

Growing demand for specialty packaging from manufacturers of organic, herbal, and ayurveda cosmetics is also expected to boost the growth of the consumer packaging industry in India. Similarly, increasing production and sales of pharmaceuticals and consumer electronics will benefit the industry.

#### Key Challenges

One of the hurdles in industrial packaging is the issue of cost. As businesses aim to reduce expenses and enhance efficiency, they frequently search for methods to decrease their packaging expenditures. However, this approach can potentially jeopardize the protection of products. Raise the likelihood of damage, during transportation and storage.

Designing packaging that fulfil both aesthetic needs poses another challenge. On one hand the package must be durable and offer protection. On the other hand, it should also be visually attractive and represent the brand effectively. Achieving this balance can prove to be a time-consuming task.

Regulations also pose a challenge in the field of industrial packaging. Each country has its set of regulations pertaining to packaging materials labeling obligations and environmental impact. Companies must navigate these regulations to ensure compliance while also striving to achieve their business objectives.

#### Conclusion

The SMEs in India are witnessing a bright future in packaging industry. Factors such as the expanding consumer goods sector, the e-commerce revolution, the emphasis on sustainable packaging, the booming food and beverage industry, and the rapid growth of the pharmaceutical sector are driving the demand for innovative packaging solutions.

To succeed in this market, SMEs need to stay ahead of trends, develop sustainable options, and deliver packaging solutions that meet the evolving needs of consumers. As India's economy continues to grow and consumer preferences evolve, the SMEs packaging market will continue to flourish, offering ample opportunities for businesses to thrive and contribute to the country's economic growth.

## OUR BUSINESS

*This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled “Risk Factors” and “Restated Financial Statements” and the chapter titled “Management Discussion and Analysis of Financial Condition and Results of Operations” beginning on page nos. 27, 194 and 235 of this Draft Red Herring Prospectus.*

*Unless the context otherwise requires, in relation to business operations, in this chapter of this Draft Red Herring Prospectus, all references to “we”, “us”, “our” and “our Company” are to Saffron Speciality Papers Limited as the case may be.*

### Overview

Our Company was originally incorporated in the name & style ‘Albatross Speciality Papers Private Limited’ as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated April 15, 2008 issued by the Assistant Registrar of Companies, Maharashtra, Mumbai. The Corporate Identification Number of our company is U51396MH2008PTC181181. Thereafter, under the control of new promoters and management, pursuant to special resolution passed by the shareholders of our Company at the extraordinary general meeting held on January 18, 2011 at shorter notice, the name of our Company was changed to ‘Saffron Speciality Papers Private Limited’ and a fresh certificate of incorporation pursuant to change of name was issued by Registrar of Companies on January 28, 2011. Subsequently the Company was converted from Private Limited to ‘Public Limited on September 17, 2024.

We are manufacturer and exporter of Printed Paper Stationery and Back-to-School Paper Stationery, serving clients domestically as well as outside India. We specialize in highly customized mass-produced Back-to-School Paper Stationery and Printed Paper Stationery products with various finishing, embellishments, and binding options. Our Company also provides commercial printing services to various customers including corporate clients, banks, government department/ organizations, trusts, etc. We have over a decade of experience in printed Paper Stationery products and a complete in-house production facility

Over the years, Our Company has obtained various quality certifications as mentioned below:

Sr. No.	Name of Quality Certification	Date of Certification	Valid up to	Purpose of Quality Certificate
1.	ISO 9001:2015 – Quality Management Systems	December 9, 2024	December 8, 2027	Manufacture, traders & exporters of paper and paper products /stationery product, packaging product and commercial printing
2.	ISO 14001:2015 – Environmental management Systems			
3.	ISO 45001:2018 – Occupational Health and Safety Management Systems			

Based on our consistent export performance in Notebook segment, our Company has also been accorded the status of Two Star Export House, vide certificate dated October 10, 2023 issued by Directorate General of Foreign Trade, Department of Commerce, in accordance with the provisions of the Foreign Trade Policy, 2023, which is valid up to March 31, 2028.

The Registered Office and the manufacturing facility of the Company is located at Survey no. 53, Hissa 29, 75/2 and 77/5, at Village: Aamne, Bhiwandi 421302, Thane.

The overall operations of the Company are managed by our Promoter Sweta Agarwal (Chairman and Managing Director) assisted by a team of experienced and knowledgeable employees.

## **Our Products**

Our principal products under Paper Stationery Segment are notebooks of various sizes from short to full scape, including children's workbooks and similar materials, as well as a range of printed paper stationery items such as drawing books, colour books, graph papers, maps, etc. Under Commercial Printing segment, our Company produces products like diaries, calendars, promotional materials, bill pamphlets, forms, stationery supplied with various cards (ATM/ debit / credit), study materials, results printing sheets, educational pamphlets, etc. on work order basis for renowned Trusts, Government Department/ Organizations, Banks, Corporates etc. as per their customisation and specification.

### **1. Notebooks and Back-to-School Paper Stationery**

Our notebooks and paper stationery products are designed for educational, office, and personal use. We offer a wide range of notebooks, from basic to premium quality, in both soft cover and hardbound formats and in multiple paper sizes. Our cover designs range from plain, single-color covers to sophisticated, multi-colour designs, and we provide various bindings including stitched, taped, hardbound, and spiral. This diverse product range caters to both cost-conscious consumers seeking utilitarian products and style conscious consumers seeking premium products, which are generally not available from unorganized sector manufacturers in India. Additionally, we produce made-to-order notebooks in bulk quantities on a contract basis. Beyond notebooks, we produce office stationery such as executive notepads, premium stationery line including diaries.

#### ***Our Notebook brand - EcoNama***

EcoNama Notebooks, the latest offering from Saffron Speciality Papers Ltd., marks a significant step toward sustainable and eco-friendly stationery in India. Designed with care for the environment, EcoNama Notebooks are crafted using recycled and recyclable materials, promoting responsible consumption while maintaining superior quality.

Our Company has launched EcoNama Notebooks in the Indian market in the last week of January 2025. Produced with eco-conscious processes and biodegradable inks that emit fewer volatile organic compounds, EcoNama Notebooks align perfectly with the needs of a growing environmentally conscious consumer base. These notebooks empower students, professionals, and organizations to embrace sustainable practices in everyday life without compromising on style, durability, or functionality.

### **2. Commercial Printing**

Our Company started this business segment from April 2021. We started our own manufacturing in Unit -1 from October 2022. We aim to grow our commercial printing operations to capitalize on the expanding Indian economy and the increased demand for customized printed materials. Commercial printing generally offers higher margins as compared to notebooks and paper stationery business segment; due to the premium we can charge with limited additional input resources. Further, competition from unorganised sector is limited in this segment due to specific quality requirement and customization requirement of the corporate clients with strict delivery schedules. Our commercial printing services cover a wide array of products:

- Textbooks and other made-to-order books
- Product brochures, catalogues, and instruction materials
- Diaries and calendars
- Magazines and other publications
- Business forms
- Bills, results printing stationeries
- Various bank and insurance sector stationery- forms, applications, promotional & informative pamphlets, stationeries supplied with ATM/ Debit/ Credit/ Pre-paid cards, pin mailers for cards, internet banking passwords, etc.
- Billing Rolls (to Govt. Agency)
- Results printing sheets

For these products, we use content provided by our customers, who usually retain the copyright over their content.

Company also provides real-time order management services through an in-house developed software. Our Company has developed 'S-Procure' software, for some of our clients in Commercial printing segment, which encompasses order management including order placement, real-time delivery tracking and invoice management.

Typical range of products:

- |                         |                             |                             |
|-------------------------|-----------------------------|-----------------------------|
| • Account Opening Forms | • File covers               | • Welcome Kits              |
| • Pass Books            | • Envelopes                 | • Debit/Credit card pouches |
| • Slip Books            | • Books                     | • Welcome Kits              |
| • Vouchers              | • Welcome Letters           | • Catalogues                |
| • Agreements            | • Dangles                   | • Posters                   |
| • Forms                 | • Letter Heads              | • Buntings                  |
| • Pads                  | • Inland Letters            | • Magazines                 |
| • Note Slips            | • Certificates              | • Wall Calendar             |
| • Registers             | • User Manuals              | • Table Calendar            |
| • Cards                 | • Leaflets                  | • Annual Reports            |
| • Folders               | • Debit/Credit card pouches | • Computer Stationery       |
| • Files                 |                             | • Pin-Mailer                |

**3. Paper Packaging Segment**

Our company has been evaluating other business opportunities to expand the business for last more than a year and eventually considering the high growth potential and better margin realization expectation, our Company has planned to enter into Paper Packaging segment. Eventually, we have entered into Paper Packaging segment during the current year and started the manufacturing on limited scale with KBA & Heidelberg machine in November 2024. We are targeting corporate clients in the Electrical, Ecommerce & Food sector and are empanelled as vendors for supplying Paper Packaging products for some of the reputed brands in these sectors.

Typical range of products:

- |  |  |
|--|--|
| • Folded box cartons Straight tuck end (STE) | • Tamper evident cartons Tear away strip                             |
| • Reverse tuck in (RTI)                      | • Sealable Blister pack cartons                                      |
| • Crash lock bottom                          | • Point of purchase counter top cartons Floor standing display units |
| • Auto-lock bottom                           |  |
| • Universal                                  |  |
| • E-flute & micro flute cartons              |  |
| • Braille cartons                            |  |
| • Metpet cartons                             |  |
| • PVC Window patch cartons                   |  |
| • 4 & 6 corner cartons                       |  |
| • PE coated cartons                          |  |
| • Food trays                                 |  |
| • Beverage carriers                          |  |
| • Burger boxes                               |  |

**Details of our Manufacturing Facilities and Offices:**

Our Company has 3 functioning unit. The location details are as under:

1. **Registered Address and Unit 1 Manufacturing Facility :** Survey no. 53, Hissa 29, 75/2 and 77/5, at Village Aamne, Bhiwandi 421302, Thane
2. **Corporate Office:** B 205, Cello Triumph, I B Patel Road, Goregaon East, Mumbai 400063.
3. **Unit 2 Manufacturing Facility:** Survey no. 74, and 75/1 at Village Aamne, Bhiwandi 421302, Thane (partially completed for 93,000 sq. ft. and another 42,000 sq. ft. under construction)

Both Our units are connected to National Highway No. 160 (popularly known as Mumbai-Nashik Highway) through 15 mt. wide internal road at a distance of 2.5 km. and Maharashtra Samruddhi Mahamarg (popularly known as Mumbai Nagpur Expressway) is passing adjacent to the units. Thus, unit location in Bhiwandi provides excellent connectivity via major highways and proximity to the Nhava Sheva seaport is an added logistical advantage. Further, the nearest major Railway Station (Kalyan Junction) is around 8.5 km from the factory site.

**About Manufacturing Facility/ Factory Building:**

In the year 2011, our Company started its manufacturing activities on a rented premise. Subsequently in 2022, our Company shifted its entire manufacturing set-up to a factory building constructed by us on a land parcel admeasuring 8070 sq. mtrs. taken by us under long term lease from our Promoters (including erstwhile) namely Sweta Agarwal and Late Vikas Agarwal, who own the land. The share of Vikas Agarwal in the land parcel after his demise was transferred in the name of Sweta Agarwal only. Our Company constructed manufacturing facility (Unit 1) on the said land parcel by availing finance from then our banker namely Canara Bank and contributing own margin. Unit 1 is a 2 storied (G+2) RCC building with temporary shed structure on terrace and temporary shed adjacent to main building for storage of raw material comprising built-up area of 13935.456 sq. mtrs. (equivalent to 1,50,000 sq. ft.) as stated in the S D & Associates report by Architect & Consulting Engineer dated December 20, 2024. Our Company started functioning from this Unit from April 18, 2022 onwards.





Our Company has obtained Consent to Operate for 1200 Tons per year from Maharashtra Pollution Control Board vide order dated December 13, 2022 which is valid till November 30, 2025. Manufacturing facility Unit 1 is housing (i) machinery for Notebook/Back-to-School Paper Stationery segment and Commercial Printing segment; (ii) around 2 months of raw material stock; (iii) around 15-20 days of finished products stock, (iv) packing/ other material items (including wastages and scrapes) (v), office areas. Our Management's increasing focus on Commercial Printing segment and decision to introduce new business segment namely Paper Packaging, need was felt to set up new manufacturing facility to decongest Unit-1 and house machinery of Paper Packaging segment machinery.

The new segment, Paper Packaging segment is an extension of the existing line of business. The Paper Packaging sector is experiencing significant growth due to environmental awareness and consumer preferences towards sustainable packaging solutions. By entering into this market, our Company is looking to provide eco-friendly packaging solutions.

Our promoters acquired land parcel measuring 7934 sq. mt. in Amne Village Bhiwandi and we have taken the land parcel on long term lease basis., Building construction commencement approval has been obtained vide approval dated November 30, 2023 issued by Tahsildar, Thane. Our Company has obtained Consent to Establish for Unit 2, dated December 11, 2024 from Maharashtra Pollution control board for a manufacturing capacity of 4000 tonnes per month.

As per approved the Building Plan, Unit 2 is also a 2 storied (G+2) RCC building to be spread over a total built-up area of 14,035.37 sq. mt. (equivalent to 1,51,075 sq. ft.).

As certified in the Chartered Engineers certificate dated December 20, 2024, presently, (i) 93,000 sq. ft. of factory building is constructed, (ii) an additional 42,000 sq. ft. of the factory building is under construction and (iii) temporary structure encompassing an area of 27,000 sq. ft. is constructed on the Terrace, for storing and miscellaneous purpose.

Out of the constructed area of 93,000 sq.ft, our Company has availed a Term Loan of Rs. 24.00 crore in February 2024 for part financing of the construction of factory building covering area of 81,000 sq. ft. (i.e. 27,000 sq. ft. each floor) and purchase of machinery for Commercial Printing segment, electrical equipment and other miscellaneous fixed assets.



To meet growing demand and optimize our operations, we are establishing a new Unit 2 to support both our Commercial Printing and Paper Packaging segment. This expansion is strategically planned to accommodate our Commercial Printing operations, which will be relocated from Unit 1 to Unit 2, while also housing a new Paper Packaging unit. This shift will enable synchronized and efficient operations across both the segments, ensuring better resource allocation and operational synergy.

By freeing up space in Unit 1, we aim to streamline our paper stationery manufacturing processes, enhancing productivity and reducing bottlenecks. Unit 2 will provide the additional capacity required for commercial printing and packaging operations to function seamlessly.

This dual-purpose expansion is designed to:

1. Enhance Efficiency: Minimize operational disruptions and optimize workflow.
2. Reduce Costs: Save on frequent stock movement and transportation expenses caused by current space constraints.
3. Scale Production: Increase capacity for packaging and commercial printing, meeting higher market demand.
4. Improve Synchronization: Enable smoother inter-departmental operations and reduce logistical complexities.

This initiative is a critical step in strengthening our infrastructure, improving cost efficiency, and positioning the company for sustained growth and profitability.



## Immovable Properties:


Sr. No	Details of the Property	Total Plot Area (sq. meter)	Date of Agreement	Lessor #	Tenure of Agreement	Lease Rent p.m. (₹)	Purpose Used
1	Survey no. 53, Hissa 29, 75/2 and 77/5, at Village Aamne, Bhiwandi 421302, Thane	8070.00	December 17, 2021 & January 28, 2025 (Supplemental agreement )	Sweta Rajesh Agarwal & Vikash Suresh Agarwal*	10 years (15.12.2021 to 14.12.2031)	50,000/-	Registered office and Factory Premises (Unit -1)
2	Survey no. 74, and 75/1 at Village Aamne, Bhiwandi 421302, Thane	7934.00	January 28, 2025	Harshiel Rajesh Agarwal & Sweta Rajesh Agarwal	10 years (01.10.2024 to 30.09.2034)	50,000/-	Factory Premises (Unit -2)
3	B 205, Cello Triumph, I B Patel Road, Goregaon East, Mumbai 400063	77.76 (Carpet Area)	May 1, 2024 (Notarized Agreement)	Harshiel Rajesh Agarwal & Sweta Rajesh Agarwal	5 years (01.05.2024 to 31.4.2029)	18,000/-	Corporate Office

# Our Company has taken on long-term lease land parcels for Unit 1 and Unit 2 from the Promoters (including erstwhile) and constructed / constructing factory building through own funding sources by way of term loan from bank, internal accruals, unsecured loans from promoters & promoter group and proposed to be utilized IPO proceeds.

\*Post demise of Vikas Agarwal, his share in the property is transferred to Sweta Agarwal vide his Will dated April 26, 2022 and Probate dated February 6, 2024. Necessary updation in sub-registrar office is carried out and the same is reflected in latest 7/12 extract of the property. The necessary modification in existing registered lease agreement done on January 28, 2025.

All the above-mentioned property in S. No. 1 to 3 are mortgaged to existing Banker of our Company namely HDFC Bank as primary/ collateral security to secure the existing term loans and working capital facilities availed by our Company for the business along with personal guarantee of the promoters owning the land parcels of factory buildings.

## Intellectual Property

Sr. No.	Logo / Trade Mark	Class	Application No.	Application by	Date of Application	Authority	Current Status
1.		16	6748325	Saffron Speciality Papers Limited	December 10, 2024	Trade Mark registry Intellectual Property India	Formalities Chk Pass
2.	EcoNama	16	6750116	Saffron Speciality Papers Limited	December 10, 2024	Trade Mark registry Intellectual Property India	Formalities Chk Pass
3.	EcoNama	35	6750118	Saffron Speciality Papers Limited	December 10, 2024	Trade Mark registry Intellectual Property India	Formalities Chk Pass

Sr. No.	Logo / Trade Mark	Class	Application No.	Application by	Date of Application	Authority	Current Status
4.		16	5888826	Saffron Speciality papers Ltd	April 12, 2023	Trade Mark registry Intellectual Property India	Objected - Awaiting Reply to Examination Report *
5.		16	5888821	Saffron Speciality papers Ltd	April 12, 2023	Trade Mark registry Intellectual Property India	Objected - Awaiting Reply to Examination Report
6.		16	5888822	Saffron Speciality papers Ltd	April 12, 2023	Trade Mark registry Intellectual Property India	Objected - Awaiting Reply to Examination Report
7.		16	5888823	Saffron Speciality papers Ltd	April 12, 2023	Trade Mark registry Intellectual Property India	Objected - Awaiting Reply to Examination Report
8.		16	5888824	Saffron Speciality papers Ltd	April 12, 2023	Trade Mark registry Intellectual Property India	Objected - Awaiting Reply to Examination Report
9.		16	5888825	Saffron Speciality papers Ltd	April 12, 2023	Trade Mark registry Intellectual Property India	Objected - Awaiting Reply to Examination Report

For further details, see “Government and other Approvals” and “Risk Factor No. 30 - Our Company logos or trademarks used by us are not registered with Registrar of Trademark.” on page nos. 256 and 41, respectively.

## Domain

Our Company has its own website. The details are as under:

S No	Domain Name	Registrar Name	Creation Date	Registry Expiry Date
1	www.saffronindia.net	PDR Ltd	March 12, 2012	March 12, 2028
2	www.econama.in	BDM Infotech	December 6, 2024	December 6, 2034

## Manufacturing Process of our Key Products

We have designed our flow of operations in such a way that materials travel the shortest possible route between various process steps to save the wastages, labour cost and overall process time. The facility is equipped with German, and indigenous printing machinery, along with essential computer systems. We have concrete driveways and entryways to maintain a dust-free environment, which enhances product quality and ensures a healthier workplace.

### Manufacturing Process

#### i. The Printing Process

The printing process follows a consistent flow, regardless of the product type:

- Design and content generation
- Order and supply allocation
- Pre-press processing
- Printing (including ruling for notebooks)
- Post-press processing (binding and finishing)

This uniform process and shared equipment allow us to quickly adapt to customer demands and market changes. Over the years, we have diversified our production to meet the increasing demand for commercial printing and published materials.

#### ii. Design and Content Generation

We develop a diverse range of notebook and paper stationery products, focusing on various styles and constructions. For commercial printing products, customers provide the design and specifications, and we work with them to ensure their needs are met using appropriate materials and processes.

#### iii. Order and Supply Allocation

Our Notebook/Back-to-School Paper Stationery products are produced based on management estimation of average order flow from regular clients and market scenario. Commercial printing orders are typically received in advance through tenders and work orders. Generally, our Company keeps 2 months raw material stock at its manufacturing facility, based on the estimated order levels in the ensuing months.

#### iv. Pre-Press Processing

Pre-press processing includes formatting content and creating layouts. For our stationery items and published materials, we handle all aspects in-house, from content input to project layout. For commercial printing, customers generally supply the source material and we customize the product design/layout according to their specification and dimensions.

#### v. Printing

Our printing involves two processes: (i) ruling for sheets and (ii) multi-colour printing for covers and commercial materials. We have ruling machines for notebook pages and one-, two-, four and five colour printing machines for covers and other printed products.

##### a. Ruling

Ruling is essential for notebook and diary production. We have a self-contained exercise book, production line capable of manufacturing saddle-stitched notebooks from paper reel to finished product. Additionally, we have several ruling machines to convert blank paper reels into ruled sheets.

##### b. Multi-Colour Printing

For non-ruling printing, we have one-, two-, four-, and five-colour sheet feed offset and web offset presses. These machines handle everything from black-and-white printing to full-colour photographs, accommodating a wide range of printing needs.

#### vi. Post-Press Processing

Our post-press equipment includes sewing and binding machines for various binding types. After printing, materials are folded, trimmed, bound, or stitched. Automated counting and scanning equipment, reduce wastage and ensure correct assembly. We also produce manually bound notebooks for price-sensitive customers, where production is somewhat labour intensive and more time consuming.

### **Warehousing and Distribution Infrastructure**

Our warehouses, located within our manufacturing facility Unit 1, stores raw materials and finished products. This ensures smooth inwards and outward dispatches of the raw materials and finished products, respectively. Our finished products are dispatched via roads for domestic distribution and via sea transport for exports from Nhava Sheva port, Navi Mumbai. Our manufacturing facility location in Bhiwandi provides better connectivity via major highways and is within close proximity of Nhava Sheva Seaport which enhances our distribution capabilities.

## Existing Plant and Machinery at Amane Plant

i. Notebook/ Back-to-School Paper Stationery segment:

Sr. No.	Description	Quantity	Year of Purchase	Make
1	Heidelberg SM 102-Z Sheet-fed, 2-Colour Offset Printing Press	1	2011	Heidelberg
2	Linomatic Printing Machine	1	2011	Line-O-Matic Graphics Industries
3	Linomatic Printing Machine	1	2021	Line-O-Matic Graphics Industries
4	Linomatic Printing Machine	1	2014	Line-O-Matic Graphics Industries
5	Linomatic Printing Machine	1	2016	Line-O-Matic Graphics Industries
6	Linomatic Printing Machine	1	2018	Line-O-Matic Graphics Industries
7	Linomatic Printing Machine	1	2019	Line-O-Matic Graphics Industries
8	Linomatic Printing Machine	1	2021	Line-O-Matic Graphics Industries
9	Seypa Perfecta Programmatic Paper Cutter	1	2013	Seypa
10	Seypa Perfecta Programmatic Paper Cutter	1	2015	Seypa
11	Seypa Perfecta Programmatic Paper Cutter	1	2016	Seypa
12	Seypa Perfecta Programmatic Paper Cutter	1	2018	Seypa
13	Seypa Perfecta Programmatic Paper Cutter	1	2018	Seypa
14	Seypa Perfecta Programmatic Paper Cutter	1	2019	Seypa
15	Wiro / Spiral Index Punching Machine (13 Tons Capacity)	1	2016	Vaps Machinery Co.
16	Wiro / Spiral Index Punching Machine (13 Tons Capacity)	1	2016	Vaps Machinery Co.
17	Wiro Locking Machine (Wiro/Spiral Binding Machine)	1	2016	Vaps Machinery Co.
18	Wiro Locking Machine (Wiro/Spiral Binding Machine)	1	2016	Vaps Machinery Co.
19	Book Sewing Machine	1	2016	Juki's / Typical
20	Book Sewing Machine	1	2016	Juki's / Typical
21	Book Sewing Machine	1	2016	Juki's / Typical
22	Book Sewing Machine	1	2017	Juki's / Typical
23	Book Sewing Machine	1	2018	Juki's / Typical
24	Book Sewing Machine	1	2019	Juki's / Typical
25	Book Sewing Machine	1	2020	Juki's / Typical
26	Saction Sewing Machine	1	2018	Kalshi
27	Saction Sewing Machine	1	2020	Kalshi
28	Gally Pasting Machine	1	2017	Vaps Machinery Co.
29	Gally Pasting Machine	1	2017	Vaps Machinery Co.
30	Book Pressing (Dhab) Machine	1	2018	Joy D ZIGH Engineers Pvt Ltd
31	Book Pressing (Dhab) Machine	1	2019	Joy D ZIGH Engineers Pvt Ltd
32	Book Pressing (Dhab) Machine	1	2019	Joy D ZIGH Engineers Pvt Ltd

<b>Sr. No.</b>	<b>Description</b>	<b>Quantity</b>	<b>Year of Purchase</b>	<b>Make</b>
33	Manual Hand Pinning Machine	1	2017	Pradeep Enterprises
34	Manual Hand Pinning Machine	1	2017	Pradeep Enterprises
35	Manual Hand Pinning Machine	1	2019	Pradeep Enterprises
36	UNO Online Book Cutting Machine	1	2016	Line-O-Matic Graphics Industries
37	UNO Online Book Cutting Machine	1	2016	Line-O-Matic Graphics Industries
38	UNO Online Book Cutting Machine	1	2021	Line-O-Matic Graphics Industries
39	Laminator - 30"	1	2020	S P Engineering
40	Laminator - 30"	1	2020	S P Engineering
41	Laminator - 30"	1	2021	S P Engineering
42	Laminator - 30"	1	2021	S P Engineering
43	Online Laminated Roll Cutter	1	2016	Graphics
44	Carton Boxes Strapping	1	2016	P P Packaging
45	Carton Boxes Strapping	1	2016	P P Packaging
46	Carton Boxes Strapping	1	2016	P P Packaging
47	Carton Boxes Strapping	1	2018	P P Packaging
48	Carton Boxes Strapping	1	2019	P P Packaging
49	Carton Boxes Strapping	1	2020	P P Packaging
50	Carton Boxes Strapping	1	2020	P P Packaging
51	Shrink Packing Machine	1	2016	Tiwan
52	Shrink Packing Machine	1	2016	Tiwan
53	Shrink Packing Machine	1	2018	Tiwan
54	Shrink Packing Machine	1	2018	Tiwan
55	Shrink Packing Machine	1	2019	Tiwan
56	Shrink Packing Machine	1	2020	Tiwan
57	Shrink Packing Machine	1	2020	Tiwan
58	Square Back Machine	1	2016	Joy D ZIGH Engineers Pvt Ltd
59	Square Back Machine	1	2016	Joy D ZIGH Engineers Pvt Ltd
60	Book Corner Cutting Machine	1	2016	Joy D ZIGH Engineers Pvt Ltd
61	Book Corner Cutting Machine	1	2016	-
62	Linomatic Folding Machine	1	2018	Line-O-Matic Graphics Industries
63	Cutting Blade Dhar Machine	1	2013	Associated Enterprises
64	Dril Machine Paper Punching	1	2017	Digvijay
65	Dril Machine Paper Punching	1	2019	Digvijay
66	Fork Lift	1	2020	Voltas
67	Fork Lift	1	2020	Voltas
68	Box Shrink Wrap Machine	1	2020	-
69	Heidelberg SM 102-V Sheet-fed AI color, 4-Colour Offset Printing Press	1	2022	Heidelberg
70	Linomatic Printing Machine	1	2022	Line-O-Matic Graphics Industries
71	Linomatic Printing Machine	1	2022	Line-O-Matic Graphics Industries
72	Linomatic Printing Machine	1	2022	Line-O-Matic Graphics Industries
73	Seypa Perfecta Programmatic Paper Cutter	1	2022	Seypa

Sr. No.	Description	Quantity	Year of Purchase	Make
74	Wiro / Spiral Index Punching Machine (13 Tons Capacity)	1	2022	Vaps Machinery Co.
75	Gally Pasting Machine	1	2022	Vaps Machinery Co.
76	Online Laminated Roll Cutter	1	2022	Graphics
77	Fork Lift (EV)	1	2022	Voltas
78	Wiro Locking Machine (Wiro/Spiral Binding Machine)	1	2023	Vaps Machinery Co.
79	Joy Online Book Printing Machine	1	2024	Joy
80	Kolbus Fully Automatic Case Manking Machine	1	2024	Kolbus
81	Perfect Book Binding Machine BW@2500	1	2024	Impel Services PVT. LTD.

ii. Commercial Printing segment

Sr. No.	Description	Quantity	Year of Purchase	Name of Vendor / seller
1	Heidelberg SM 102-CD Sheet-fed Auto Plate Changer, AI color, 5-Colour Offset Printing Press	1	2022	Heidelberg
2	Heidelberg CD 102-V Sheet-fed AI color, 4-Colour Offset Printing Press with Coater	1	2022	Heidelberg
3	Web Offset - 2+2 Color	1	2022	Prakash
4	Web Offset - 1+1 Colour	1	2022	Specialised Services
5	Seypa Perfecta Programmatic Paper Cutter	1	2022	Seypa
6	Seypa Perfecta Programmatic Paper Cutter	1	2022	Seypa
7	Seypa Perfecta Programmatic Paper Cutter	1	2022	Seypa
8	Manual Hand Pinning Machine	1	2022	Pradeep Enterprises
9	Muller Martini 4-Station Automatic Gatherer and Centre Double Head Stitcher - in line gathering, pinning & cutting (Saddle Stitcher)	1	2022	Mullar Martini
10	Muller Martini 4-Station Automatic Gatherer and Centre Double Head Stitcher - in line gathering, pinning & cutting (Saddle Stitcher)	1	2022	Mullar Martini
11	Punching Machine	1	2022	Onkar
12	Punching Machine	1	2022	Onkar
13	Automatic Kodak Type Envelope Maker (Top Flap)	1	2022	Tomamoto / Fuzi
14	Automatic Kodak Type Envelope Maker (Top Flap)	1	2022	Tomamoto / Fuzi
15	Automatic ATM Pouch Maker	1	2022	Jay Engineering
16	Window Patcher for Envelope	1	2022	Jay Engineering
17	Window Patcher for Envelope	1	2022	Jay Engineering
18	Window Patcher for Envelope	1	2022	Jay Engineering
19	Envelope Flap Strip Gum Applicator	1	2022	Jay Engineering
20	Envelope Flap Strip Gum Applicator	1	2022	Jay Engineering
21	Stahl High Speed Paper Folder	1	2022	Stahl
22	Stahl High Speed Paper Folder	1	2022	Stahl

Sr. No.	Description	Quantity	Year of Purchase	Name of Vendor / seller
23	Stahl High Speed Paper Folder	1	2022	Stahl
24	Stahl High Speed Paper Folder	1	2022	Stahl
25	Heidelberg SM 102-V Sheet-fed Auto Plate Changer, AI color, 4-Colour Offset Printing Press	1	2023	Heidelberg
26	Heidelberg 102-ZP Sheet-fed, 2-Colour Offset Printing Press	1	2023	Heidelberg
27	Heidelberg 4 +Coater Machine	1	2024	Heidelberg
28	Automatic Envelope Maker for Center Pasting	1	2023	Champion
29	PrakashWeb Offset - 4+4, Cutoff 610 mm	1	2024	Prakash

iii. Paper Packaging Segment

Sr. No.	Description	Quantity	Year of Purchase	Make
1	KBA RA 104-6 + LX(6 Colour Machine)	1	2024	KBA
2	BOBST SP 106 DIE PUNCHING	1	2024	Shina Enterprises

As certified by RD Ashtaputre, Chartered Engineer, vide certificate dated December 23, 2024.

**Installed Production Capacity and the Capacity Utilization**

The installed capacity and capacity utilization of our Company for past years are as under:

(in metric tonnes)

Business Segment	August 31, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Installed Capacity	Capacity Utilization	Installed Capacity	Capacity Utilization	Installed Capacity	Installed Capacity	Capacity Utilization	Installed Capacity
Notebook Segment	21300	7990	21300	17040	21300	14910	14910	10140
Commercial Printing Segment	32553	5890	20040	11765	12780	5586	NA	NA

Installed capacity is as certified by RD Ashtaputre, Chartered Engineer, by certificate dated December 23, 2024 and capacity utilization is as certified by the Management dated January 27, 2025.

**Capex done in past 3 years:**

The Capex done by our Company in past 3 years for the is as under:

(Rs. In lakhs)

Particulars	For the year / period ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Building	0.00	8.04	377.38*	0.00
WIP –Building	1,922.17	336.57	0.00	1,619.54
Plant & Machinery	377.84	282.61	321.15	5.96
Other/miscellaneous fixed assets	0.00	1.58	3.82	0.00
Computers	2.72	2.56	0.13	0.36
Other Equipment	0.00	27.46	243.30	0.51
<b>Total</b>	<b>2,302.73</b>	<b>658.82</b>	<b>945.78</b>	<b>1,626.37</b>

Source: Restated Balance sheet

\*Excluding capital work-in-progress reported previous year, which was capitalized as fixed assets during the year.

Company was sanctioned fresh term loan of Rs. 2,400.00 lakh from HDFC Bank vide letter ref 89567861 dated February 20, 2024 for estimated capital expenditure of Rs. 3,521 lakh. This capex was towards construction of portion of Unit 2 factory building for total construction area of 1,00,000 sq. ft. (covering built-up area of 81,000 sq. ft.), purchase of machineries for Commercial Printing segment and misc. fixed assets for unit 2. Our company has carried out total capex of Rs. 3,253.51 lakh from February 2024 to August 2024.

### Revenue Split Up:

In Financial Year 2024, 2023 and 2022, we catered to domestic as well as overseas markets. We export our notebook and paper stationery products to Iran, Ethiopia, Mozambique, Angola, etc. our geographical revenue segmentation is mentioned below:

(Rs. In lakhs)

Category	August 31, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations
Export Sales of Paper and Stationery	2,835.49	29.41%	8,102.56	42.52%	6,677.06	50.74%	4,559.95	38.06%
Domestic Sales of Paper and Stationery	2,264.10	23.48%	4,704.44	24.69%	2,330.28	17.71%	5,764.01	48.11%
Domestic Sales of Commercial Printing	4,529.06	46.98%	6,207.22	32.58%	4,001.67	30.41%	1,643.14	13.72%
Sales of License (Export)	12.39	0.13%	40.38	0.21%	149.42	1.14%	12.72	0.11%
<b>Total</b>	<b>9,641.04</b>	<b>100.00%</b>	<b>19,054.60</b>	<b>100.00%</b>	<b>13,158.43</b>	<b>100.00%</b>	<b>11,979.82</b>	<b>100.00%</b>

### Geographical Sales Split Up:

(Rs. In lakhs)

Category	August 31, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations
Export	2,847.88	29.54%	8,142.94	42.73%	6,826.48	51.88%	4,572.67	38.17%
Domestic	6,793.16	70.46%	10,911.66	57.27%	6,331.95	48.12%	7,407.15	61.83%
<b>Total</b>	<b>9,641.04</b>	<b>100.00%</b>	<b>19,054.60</b>	<b>100.00%</b>	<b>13,158.43</b>	<b>100.00%</b>	<b>11,979.82</b>	<b>100.00%</b>

Our exports are predominantly to African countries. We have also ventured into other markets such as Middle East and Central American countries during last 5 years.

### Utilities

#### i. Electricity and Power Backup

Sr. No.	Location	Utility	Electricity Provider	Sanctioned Load
1	Survey no. 53, Hissa 29, 75/2 and 77/5, at Village Aamne, Bhiwandi 421302, Thane (Unit 1)	Manufacturing Facility	Torrent Power Limited Consumer No: 013014621223	210 HP
2	Survey no. 53, Hissa 29, 75/2 and 77/5, at Village Aamne, Bhiwandi 421302, Thane (Unit 1)	Manufacturing Facility	Torrent Power Limited Consumer No: 013015154068*	210 HP



Sr. No.	Location	Utility	Electricity Provider	Sanctioned Load
3	Survey no. 74, and 75/1 at Village Aamne, Bhiwandi 421302, Thane (Unit 2)	Manufacturing Facility	Torrent Power Limited Consumer No: 013015551067*	210 HP

\*Consumer No: 013015154068 & 013015551067 is issued in the name of Sweta Agarwal, the Chairman and Managing Director. Company has further applied for an additional Electricity connection for unit-2 to Torrent Power Company Ltd. vide application no 7131406006 dated December 6, 2024.

ii. Power Backup:

Our Company has also made provision for power back-up and installed DG set of capacity of 150 HP to meet any exigencies in Unit 1. Currently, there is no separate DG set proposed for power back up in Unit 2.

iii. Water

Our manufacturing facility has adequate water supply arrangements for industrial & consumption purpose in both the Units through independent bore-wells. Our current manufacturing processes of Notebook/Back-to-School Paper Stationery segment and Commercial Printing segment and new business segment i.e. Paper Packaging segments do not require water. The water is used for the domestic consumption only. Our Company has made adequate storage facility in its manufacturing facility to meet the requirement of fire suppressing system. We have three bore-wells as of now two in existing unit and one in new unit.

**Raw Material**

Our Company requires various types of paper, paper boards, dye, inks, poly films, glue/ adhesive and chemicals for our manufacturing activity in both the segments i.e. Note-book / Back-to-school stationery and Commercial Printing. The above-mentioned raw materials will be required for the new business segment i.e. Paper Packaging Segment and hence the same suppliers / procurement channels will be utilized for the new business segment. The major cost component in our industry is raw material cost which constitutes upwards of 70% of net revenue. The primary raw material for manufacturing exercise books is paper and paper board. In addition, we also use inks, films, glue and wire in our manufacturing process. Raw material required for the production process are available in domestic as well as in international market. Our Company decides to procure the material from domestic market only based on the market price trend and other business dynamics such order quantity, logistical capability, etc. List of our key suppliers for various raw materials are given as under:

S No	Raw Material	Description
1	Paper	Paper, Maplitho, Art Paper, Duplex / white back
2	Film	Poly film
3	Ink	Ink for various printing needs
4	Glue / adhesive	Adhesives for binding purpose

Our Company has long standing business relationship of around one and a half decade with various suppliers including paper & other raw materials. Our Company procures raw materials directly from the manufacturers or through dealers & distributors depending on factors like price, order quantity, delivery terms, stock available in the unit.

**Top Customers and Suppliers**

Our Clientele in Notebook/ Back-to-School Paper Stationery segment includes domestic companies and international authorized dealers. And our Clientele in Commercial Printing segments including renowned Trust, Banks, Government Organizations / Departments etc. The detailed break-up of our top 10 customers for past 3 years are as under:

**Top Customers for FY 2023-24:**

Sr. No.	Name of Customer	Sales (Rs. In Lakhs)	% of total Sales
<b>Notebook Segment</b>			
1	Creative Enterprises Limited	1506.77	6.94%
2	SG Enterprise	1107.85	5.10%
3	Seaviews Goods Wholesalers LLC	1052.39	4.85%
4	Anadolu Group IC VE DIS Ticaret Limited	912.88	4.21%
5	Ritz IT Solution Ltd	856.30	3.94%
<b>Commercial Printing</b>			
1	Idemia Syscom India Private Limited	820.42	3.78%
2	KL HI-Tech Secure Print Limited	772.13	3.56%
3	Bharat Financial Inclusion Limited- Andhra Pradesh	650.78	3.00%
4	Tirumala Tirupathi Devasthanams	649.39	2.99%
5	Andhra Pradesh Medical Services and Infrastructure Development Corporation	545.97	2.52%

**Top Customers for FY 2022-23:**

Sr. No.	Name of Customer	Sales (Rs. In Lakhs)	% of total Sales
<b>Notebook segment</b>			
1	Seaviews Goods Wholesalers LLC	3964.66	26.57%
2	SG Enterprise	952.37	6.38%
3	Noble Group ,SA	564.07	3.78%
4	Mehari Redaei Gebre	473.36	3.17%
5	General Export Enterprise	455.19	3.05%
<b>Commercial Printing segment</b>			
1	Bharat Financial Inclusion Limited	361.67	2.42%
2	Platinum Printers	232.11	1.56%
3	KL HI-Tech Secure Print Limited	220.64	1.48%
4	Giesecke & Devrient MS India Pvt. Ltd.	109.11	0.73%
5	Cms Info Systems Limited	94.34	0.63%

**Top Customers for FY 2021-22:**

Sr. No.	Name of Customer	Sales (Rs. In Lakhs)	% of total Sales
<b>Notebook segment</b>			
1	Mehari Redaei Gebre	1330.08	10.44%
2	Trans Global General Trading Fzco	797.16	6.25%
3	PT.Wide Action Jaya Ltd.	720.19	5.65%
4	SG Enterprise	515.68	4.05%
5	General Export Enterprise	500.77	3.93%
<b>Commercial Printing segment</b>			
1	Kotak Mahindra Bank	431.45	3.60%
2	Cosmos	333.40	2.78%
3	Tannuska	32.48	0.25%
4	IG International Pvt Ltd	34.94	0.27%
5	New tech ind	19.60	0.15%

As certified by SKVM and Company, Chartered Accountant dated February 06,2025.

Revenue contribution to our total revenue by our largest customer and top 10 in last 2 financial years:

(Rs. In lakhs)

Category	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Revenue contribution	% of total revenue	Revenue contribution	% of total revenue
Largest customer	1506.77	6.94%	3964.66	26.57%
Top 10 customers	9071.33	41.79%	8130.82	54.48%

## Raw Material Supplier Details

The detailed break-up of our top 5 Suppliers for the past 3 years are as under:

### Top Suppliers for FY 2023-24:

Sr. No.	Name of Suppliers	Purchase (Rs. In Lakhs)	% of total Purchases	Raw material purchased
1.	Shyam Udyog (Related Party)	5222.94	31.31%	Paper & Paper Board
2.	Shambhulal A Shah And Co.	1827.03	10.95%	Paper & Paper Board
3.	Perform World	1132.92	6.79%	Paper & Paper Board
4.	N.R Agarwal Industries Ltd	1043.96	6.26%	Paper & Paper Board
5.	Shree Balaji Impex	664.16	3.98%	Paper & Paper Board
	<b>Total</b>	<b>9891.01</b>	<b>59.29%</b>	

### Top Suppliers for FY 2022-23:

Sr. No.	Name of Suppliers	Purchase (Rs. In Lakhs)	% of total Purchases	Raw material purchased
1.	Shyam Udyog (Related Party)	4077.20	33.39%	Paper & Paper Board
2.	Shree Krishna Enterprise	1331.64	10.91%	Paper & Paper Board
3.	Tamil Nadu Newsprint and Papers Limited	743.29	6.09%	Paper & Paper Board
4.	Parth Enterprises	634.44	5.20%	Paper & Paper Board
5.	Kuantum Papers Ltd	441.04	3.61%	Paper & Paper Board
	<b>Total</b>	<b>7227.61</b>	<b>59.20%</b>	

### Top Suppliers for FY 2021-22:

Sr. No.	Name of Suppliers	Purchase (Rs. In Lakhs)	% of total Purchases	Raw material purchased
1.	Shyam Udyog (Related Party)	1531.05	11.79%	Paper & Paper Board
2.	Shree Krishna Enterprise	1202.60	9.26%	Paper & Paper Board
3.	Tamil Nadu Newsprint and Papers Limited	1109.83	8.54%	Paper & Paper Board
4.	Quality Pulse Exporters Limited	611.90	4.71%	Paper & Paper Board
5.	Parth Enterprises	409.19	3.15%	Paper & Paper Board
	<b>Total</b>	<b>4864.57</b>	<b>37.45%</b>	

As certified by SKVM and Company, Chartered Accountant dated February 06,2025.

## Human Resources

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our Business.

As of December 31, 2024, we have 40 permanent employees on our payroll and have employed 50 employees on contract basis. The broad split up of permanent employees based on job function is as under:

Sr. No.	Function	Number of employees
1.	Finance Department	7
2.	Human Resource department	1
3.	Marketing Head / COO	1
4.	Factory employees	23
5.	Executive Directors	2
6.	Office Staff	4

Sr. No.	Function	Number of employees
7.	Head of Production Department	1
8.	Secretarial Department	1
	<b>Total</b>	<b>40</b>

Majority of contractual employees are in notebook printing segment and inward and outwards dispatch sections.

### Insurance

We have insurance coverage which we consider is reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with industry standards in India. The insurance policies are renewed annually and updated for value of sum assured based on prevailing written down value of the fixed assets and estimated maximum level of stock as per financial projections to working capital lender. The details of our present insurance policy is as under:

Policy Number	Insurance Provider	Type	Total Sum Insured (Rs. in lakhs)	Policy Valid Till	Assets covered
366003112410000027 (Unit -1)	National Insurance Company Limited	Fire and Allied Perils	7175.00	21/04/2025	Plant and machinery, furniture, fixtures and fittings, stock of all kind of paper and paper Products, note books and allied items, electrical fittings
366003592410000035 (Unit -1)	National Insurance Company Limited	Burglary Insurance	4675.00	21/04/2025	Building , plant and machinery, furniture, fixture and fittings, electrical fittings, stock of ram material , finished and semi-finished goods
366003592410000201 (Unit -2)	National Insurance Company Limited	Burglary Insurance	1500.00	20/11/2025	Stocks of Raw material, finished and semi-finished goods consisting of paper, board, duplex, binding cloths, pins, ink, shrink and lamination film and goods allied to manufacturing of books and stationery, etc.
366003112410000183 (Unit 2)	National Insurance Company Limited	Fire And Allied Perils	1500.00	20/11/2025	Plant & Machinery, stock of raw material finished and semi-finished goods consisting of paper, board, duplex, binding cloths, pins, ink, shrink and lamination film and goods allied to manufacturing of books and stationery, etc.

### Quality and Environment Control:

We operate in a competitive market environment, facing challenges from both organized and unorganized players. Our extensive experience and commitment to quality assurance are key advantages in overcoming competition from these diverse market participants. To meet the quality requirement, our Company obtained various certifications as mentioned under:

Sr. No.	Name of Quality Certification	Date of Certification	Valid up to	Purpose of Quality Certificate
1.	ISO 9001:2015 – Quality Management Systems	December 9, 2024	December 8, 2027	Manufacture, traders & exporters of paper and paper products /stationery product, packaging product and commercial printing
2.	ISO 14001:2015 – Environmental management Systems			
3.	ISO 45001:2018 – Occupational Health and Safety Management Systems			

### Sales and Distribution

Are there any sales and distribution network domestic or overseas. Company to mention about how orders are generated in Notebook segment and Commercial printing segment.

### Competition

Notebook segment is more fragmented with the presence of manufacturers from organized sector as well as unorganized sector. Competition in Notebook segment is relatively high but is distributed evenly between high value premium segment to low value price sensitive segment.

Commercial printing segment is also fragmented with the presence of manufacturers from organized sector as well as unorganized sector. However, we have carved out a niche segment particularly within the BFSI segment, government organizations/department, etc. In this segment due to orders are based on tender for which bidders have to fulfil the eligibility criteria, the competition is relatively less from unorganized segment. We initially started with mobilizing work orders from other successful bidders but over the couple of years, we are now in position to meet the eligibility criteria for all type of tenders and now we can participate in almost all the tenders being floated by our potential clients.

Overall, the business segments in which our Company operates are highly fragmented and unorganised. We believe our ability to compete effectively is bolstered by our reputation, the quality of our product and services, and the strength of our client relationships. The principal factors influencing competition in our business include client relationships, reputation, and the relative quality and price of products and services offered. Our technical capabilities, industry experience, and unwavering commitment to quality assurance and maintain timely delivery schedule will continue to be critical in navigating and overcoming competitive pressures from both organized and unorganized players.

### Growth & Marketing Strategy

Presently our Company has 2 major business segments namely Notebook/ Back-to-School Paper Stationery segment & Commercial Printing segment. Strategic planning of our marketing activities is crucial to driving the growth of our business segment. We have devised the following strategic plan to further our growth prospect in this competitive landscape.

#### Notebook / Back-to-School Paper Stationery Segment Strategy:

##### i. Leverage Export Credentials to Build Trust

Our company is recognized by the Government of India as a Two Star Export House due to our consistent export performance in past years. The company export majority of its products in this business segment since a decade and over the period it has increased in value terms, with increase in orders from the existing and new customers. This accolade reflects our credibility, quality, and efficiency in the global market particularly in African market. We leverage our continued relation with export clients while pitching to domestic distributors, retailers and customers as we expand into the local market.

## **ii. Expand Presence in the Domestic Market**

Having established market in exports, particularly in Africa for over a decade, we are now more committed to building our brand for the domestic market too. By promoting our products under a strong and recognizable brand, we aim to secure better margins and establish long-term customer loyalty.

Key initiatives for local market expansion include:

- Advertising & Promotion: Launch integrated campaigns, including digital marketing, school/college partnerships, and influencer marketing to increase brand visibility.
- Distribution Network: Build a robust distribution network with dealers and distributors to ensure product availability across all major cities and towns.

## **iii. Exploring untapped International Markets**

While maintaining market presence in Africa, we are exploring possibilities expand our reach in Middle east and Central American regions. Our Company has recently started exports note-books to these regions and are making efforts to penetrate into these regions.

Focus Areas:

- Tailored Product Offerings: Customize products to meet the specific requirements and preferences of the American markets.
- Strong Partnerships: Collaborate with importers and local distributors to establish a presence in the Americas.
- Targeted Marketing: Participate in international trade shows and export expos to showcase our diverse product range and build brand recognition in new territories.

## **iv. Diversification of Product Range**

We are committed to providing a comprehensive range of paper stationery and notebooks to cater to diverse customer needs. Our strategy includes:

- Offering a complete range of stationery products to become a one-stop solution for dealers, distributors, and end-users.
- Regularly introducing innovative designs and formats to stay competitive and meet evolving market trends.

## **v. Emphasis on Quality and Innovation**

Our focus on high-quality products and innovation has been the cornerstone of our success in exports. We will replicate this approach in the domestic market to differentiate ourselves from competitors.

## **vi. Pricing and Promotion**

- Implement competitive pricing strategies to attract dealers and distributors initially while transitioning to value-based pricing as our brand grows.
- Offer promotional discounts, bundle deals, and loyalty programs to encourage bulk purchasing and repeat orders.

## **Commercial Printing Segment Strategy:**

### **i. Leveraging Proven Expertise for Future Growth**

Having successfully established ourselves in the Notebook and Paper Stationery Industry, our Commercial Printing segment has also built a strong reputation in domestic market in a short span of time. By catering to the BFSI sector and executing numerous central and state government tenders, we are recognized for:

- Timely execution of tender orders
- Competitive pricing
- High-quality deliverables

We will leverage this proven track record to further our growth and expand our reach both domestically and internationally. By highlighting our expertise and capabilities, we aim to build stronger relationships with existing clients and attract new ones.

## **ii. Expand Market Presence in the Domestic Sector**

Our success with BFSI and government tenders positions us as a trusted name in the domestic market. To further enhance our market presence, we will:

- Tap into Educational Departments: Proactively engage with central and state educational departments to participate in tenders for printing textbooks, exam papers, and educational materials.
- Broaden BFSI Offerings: Offer value-added services like personalized printing, secure document printing, and digital transformation solutions to BFSI clients.
- Participate in Industry Events: Attend trade fairs, exhibitions, and conferences to showcase our capabilities and network with potential clients.

## **iii. Enter into the International Market**

Building on our expertise in executing large-scale tenders, we aim to penetrate the international market. This includes targeting printing tenders from government bodies and educational institutions worldwide.

### **Key strategies include:**

- Market Research: Identify countries with frequent government tenders for commercial printing, particularly in the education sector.
- Partnerships: Collaborate with local agents or partners in target regions to understand tender processes and requirements.
- Showcase Expertise: Highlight our success in executing high-volume, time-sensitive tenders domestically to gain credibility internationally.

## **iv. Strengthen Operational Efficiency**

To handle the increasing scale of operations in domestic and international markets, we will:

- Streamline Processes: Enhance project management practices to improve efficiency in handling large and complex tenders.
- Focus on Sustainability: Adopt eco-friendly printing practices to align with global sustainability trends and appeal to environmentally-conscious clients.

## **v. Diversify Product Offerings**

Expand our product portfolio to meet a broader range of client requirements, including:

- Security printing for sensitive documents.
- Customized packaging solutions.
- Digital printing services for short runs and variable data needs.

## **vi. Pricing and Contract Strategy**

- Maintain competitive pricing for tenders to secure high-volume contracts while ensuring profitability.
- Offer flexible pricing models for long-term contracts for recurring orders to strengthen client relationships.

## **vii. Marketing and Outreach Efforts**

- Client Testimonials: Showcase testimonials and case studies from BFSI and government clients to build credibility.
- Digital Marketing: Leverage social media, email campaigns, and an optimized website to target decision-makers in both domestic and international markets.
- Tender Tracking: Employ a dedicated team to track and respond to relevant tenders proactively.

## **viii. Build a Dedicated Sales Team**

Create a specialized sales team focused on:

- Tender participation and negotiation.
- Building relationships with key decision-makers in the BFSI, government, and education sectors.
- Exploring untapped segments and geographies.

### **Commencement of new business segment – Paper Packaging**

Initially, we were engaged in the manufacturing of notebooks and paper stationery. In 2021, we diversified into the commercial printing business, primarily catering to the BFSI sector. We have successfully established our brand with leading banks, insurance companies, and related industries and further expanded to government sector organizations, corporates, trusts, etc. We have now entered into the paper-based packaging business, which is a rapidly growing industry segment. Leveraging our existing commercial printing operations, we can efficiently transit into this market with investment in additional machinery. We have entered into Paper Packaging segment during the current year and started the manufacturing on limited scale with KBA & Heidelberg machine in November 2024. We are targeting corporate clients in the Electrical, Ecommerce & Food sector and are empaneled as vendors for supplying Paper Packaging products for some of the reputed brands in these sectors.

We have devised the following strategy for the new Paper Packaging segment:

#### **i. Leverage Synergy with Existing Business Segment**

Being an established player in the Notebook/ Back-to-School Paper Stationery and Commercial Printing segment, our foray into the Paper Packaging segment is a strategic extension that leverages our existing expertise and resources. This synergy enables us to offer high-quality, innovative solutions while streamlining operations and maintaining competitive pricing.

#### **ii. Positioning as a Provider of Value-Driven Packaging**

Unlike the unorganized sector offering basic packaging solutions, we aim to differentiate ourselves by delivering value-for-money effective packaging that combines aesthetics, functionality, and durability. Our focus is on creating attractive and high-quality packaging that enhances the appeal of our customers' products, setting them apart in their respective markets.

#### **iii. Industry-Specific Solutions**

We propose to cater to a diverse range of industries, including:

- Food Packaging: Premium and durable boxes for confectionery, bakery, and specialty food items.
- Gift Packaging: Elegant and customizable gift boxes for special occasions and corporate gifting.
- Product Packaging: High-quality solutions for retail products, cosmetics, electrical, electronics, pharmaceuticals and more.
- By tailoring our designs to the unique needs of each industry, we aim to establish strong, long-term relationships with clients.

#### **iv. Experienced Team Driving Success**

Our team includes industry veterans with over a decade of experience in manufacturing and sales. Their deep knowledge, customer relationships, and insights into market trends position us to deliver innovative solutions while achieving substantial sales growth.

#### **v. Expansion into International Markets**

We aim to extend our reach to global markets by offering sustainable packaging solutions for:

- Gift Boxes: Stylish and customizable designs targeted at high-end stores and retail chains internationally.
- Food Packaging: Sustainable and visually appealing packaging options for global food chains, QSR's and specialty retailers.
- By targeting reputed international store chains, we aim to establish our brand as a trusted global supplier of product packaging.

#### **vi. Innovation and Customization as Key Differentiators**

To stay ahead in the competitive packaging industry, we will focus on:



- **Innovative Designs:** Creating visually striking and functional packaging that aligns with modern consumer preferences.
- **Customization:** Offering bespoke solutions tailored to the specific branding and operational needs of each client.
- **Sustainability:** Incorporating eco-friendly materials and practices to appeal to environmentally-conscious customers.

## **vii. Marketing and Sales Strategies**

- **Client-Centric Approach:** Leverage our team's customer relationships to build trust and secure orders across various sectors.
- **Showcase Quality and Craftsmanship:** Use trade shows, exhibitions, and targeted digital marketing campaigns to highlight our innovative & yet practical packaging solutions.
- **Strengthen Online Presence:** Build an engaging online portfolio to demonstrate our capabilities and attract inquiries from domestic and international clients.
- **Strategic Partnerships:** Collaborate with distributors, retailers, and design agencies to expand our market reach.

## **SWOT**

### **Strength**

We believe that our business has the following key competitive strengths.

- Experienced Management and operational team
- Long term Business relationship with customers
- Exposure in export and domestic market segment
- Our location in Bhiwandi provides excellent connectivity via major highways (Mumbai-Nashik & Maharashtra Samruddhi Mahamarg- Mumbai to Nagpur) and proximity to the Nhava Sheva seaport is an added logistical advantage.
- Diversified Verticals: We are presently having Notebook / Back-to-School Paper Stationery & Commercial Printing segment. Thus, dependence on a single vertical for revenue generation is avoided

### **Weaknesses**

- Dependence on few large clients: Vulnerability to significant revenue loss if one or more major clients switch to competitors.
- Tender Process- Pricing Pressure: Large Commercial printing orders are placed by Government Authorities through Bidding / Tendering process resulting intense competition and pricing pressures
- Limited online presence: Underutilization of digital marketing channels
- Limited Automation: Manual processes and lack of automation, leading to underutilization of time and resources.

### **Opportunities**

- Expansion into new markets: Entering new industries, such as packaging or label printing, to diversify revenue streams.
- Investment in digital marketing: Developing a strong online presence to attract new customers and showcase services.
- Partnerships and collaborations: Forming strategic alliances with designers, agencies, or other printers to increase referrals and business opportunities.

## **Threats**

- Intense competition: The industry is unorganized and fragmented, making it challenging to stand out and maintain market share.
- Economic downturn: Economic instability, leading to reduced demand for printing services.
- Technological advancements: Rapid changes in printing technology, requiring significant investments to stay competitive.
- Shift to digital media: Decline in demand for traditional printing services due to the rise of digital media.

## **KEY REGULATIONS AND POLICIES IN INDIA**

The following description is a summary of certain key statutes, rules, regulations, notifications, memorandums, circulars and policies in India which are applicable to our Company and the business undertaken by our Company.

The information detailed in this section is based on the current provisions of key statutes, rules, regulations, notifications, memorandums, circulars and policies which are subject to amendments, changes and/or modifications. The information detailed in this chapter has been obtained from various legislations, rules and regulations notified thereunder, and other regulatory requirements issued by the regulatory authorities available in the public domain. The regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute professional legal advice.

Taxation statutes such as the Income-tax Act, 1961, the Customs Act, 1962 and the relevant goods and services tax legislation apply to us as they do to any other company. Further, under the provisions of various Central Government and State Government statutes and legislations, our Company is required to obtain and regularly renew certain licenses or registrations and seek statutory permissions to conduct its business and operations. For details of government approvals obtained by our Company, please refer to the section titled “*Government and Other Approvals*” beginning on page no. 256 of this Draft Red Herring Prospectus.

### **The Factories Act, 1948 (“Factories Act”)**

The Factories Act defines a “factory” to cover any premises which employs 10 or more workers and in which manufacturing process is carried on with the aid of power and any premises where there are at least 20 workers, even while there may not be an electrically aided manufacturing process being carried on. State Governments have the authority to formulate rules in respect of matters such as prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers. It provides such safeguards of workers in the factories as well as offer protection to the exploited workers and improve their working conditions. The penalties for contravention of the Factories Act include fine and imprisonment for the ‘occupier’ or ‘manager’ as defined under the Factories Act, and enhanced penalties for repeat offences and contravention of certain provisions relating to use of the hazardous materials.

### **Maharashtra Factories Rules, 1963**

The Maharashtra Factories Rules, 1963, established under the Factories Act, 1948, provide comprehensive guidelines to ensure the safety, health, and welfare of workers in factories across Maharashtra. These rules mandate measures for proper ventilation, cleanliness, sanitation, and prevention of overcrowding, along with access to safe drinking water and first-aid facilities. Safety provisions include the use of protective equipment, maintenance of machinery, fire safety measures, and protocols for handling hazardous substances. Factories must also provide welfare amenities such as canteens, restrooms, and medical aid while adhering to regulations on working hours, overtime, and leave. Registration, periodic inspections, and compliance with operational standards are mandatory, with penalties for violations. These rules are crucial for fostering a safe and fair working environment while supporting industrial development in the state.

### **Consumer Protection Act, 2019 (“CPA”)**

The CPA, which repealed the Consumer Protection Act, 1986, was enacted to provide for protection of the interests of consumers and for the said purpose, to establish authorities for timely and effective administration and settlement of consumers’ disputes. Further, the definition of “consumer” has been expanded under the CPA to include persons engaged in online and offline transactions through electronic means or by tele-shopping, or direct-selling or multi-level marketing. The CPA empowers the Central Government to constitute the Central Consumer Protection Authority to be known as the Central Authority to regulate matters relating to the violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of the public and consumers, and to promote, protect and enforce the rights of consumers as a class, and conduct inquiries or investigations under the CPA. In cases of manufacturing for sale or storing, selling or distributing or importing products containing an adulterant, the imprisonment may vary between six months to seven years and fine between one lakh to ten lakh depending upon the nature of injury to the consumer.

### **The Legal Metrology Act, 2009 (“Legal Metrology Act”) and the Legal Metrology (Packaged Commodities) Rules, 2011 (“Packaged Commodity Rules”)**

The Legal Metrology Act replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standard weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. As per the Legal Metrology Act, the units of weights and measures must be in accordance with the metric system based on the international system of units only. Any non-compliance or violation of the provisions of the Legal Metrology Act may result in, among others, a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases. The Legal Metrology Act allows companies to nominate a director who will be held responsible for the breach of its provisions.

The Packaged Commodities Rules were framed under Sections 52(2)(j) and (q) of the Legal Metrology Act and lay down specific provisions applicable to packages intended for retail sale, wholesale and for export and import. The Packaged Commodities Rules provide that no person shall pre-pack or cause or permit to be pre-packed any commodity for sale, distribution or delivery unless the package in which the commodity is pre-packed bears thereon, or on a label is securely affixed thereto, such declarations as are required to be made under the Packaged Commodities Rules. The Legal Metrology (Packaged Commodities) (Amendment) Rules, 2022 (“2022 Amendment Rules”) have amended the Packaged Commodities Rules and state that the unit sale price in rupees shall be rounded off to the nearest two decimal place. Further, the 2022 Amendment Rules have omitted the Second Schedule of the Packaged Commodities Rules, which specified the quantities of commodities by weight, measure or number. As per the 2022 Amendment Rules, no prosecution shall be initiated against the manufacturer or packer or importer of pre-packaged commodities for making declaration with effect from April 1, 2022, in accordance with the Packaged Commodities Rules. The 2022 Amendment Rules have come in force on June 1, 2023.

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

The BIS Act provides for the establishment of a national body, to be called the Bureau of Indian Standards (“BIS”), for the harmonious development of the activities of standardization, conformity assessment and quality assurance of goods, articles, processes, systems and services and for matters connected therewith or incidental thereto. The BIS Act provides for the functions of the BIS which includes, among others, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) undertake testing of samples for purposes other than for conformity assessment; and (d) undertake activities related to legal metrology. The BIS Act empowers the Central Government, in consultation with the BIS, to order compulsory use of standard mark for any goods or article of any scheduled industry, process, system or service, or essential requirements to such goods, article, process, system or service if it finds it expedient to do so in public interest. The BIS Act also provides the penalties in case there is a contravention of the provisions of the BIS Act.

### **The Sale of Goods Act, 1930 (“Sale of Goods Act”)**

The Sale of Goods Act governs contracts relating to sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts i.e. the Indian Contract Act, 1872. A contract for sale of goods has, however, certain peculiar features such as, transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract, conditions and warranties implied under a contract for sale of goods, etc. which are the subject matter of the provision of the Sale of Goods Act.

### **The Registration Act, 1908**

The Registration Act was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

## **The Indian Contract Act, 1872**

The Indian Contract Act, 1872 codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contracts. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

## **The Specific Relief Act, 1963**

The Specific Relief Act is complementary to the provisions of the Contract Act and the T.P. Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for the purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance means the Court will order the party to perform his part of the agreement, instead of imposing on him any monetary liability to pay damages to another party.

## **Negotiable Instruments Act, 1881**

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheques not being honored by their bankers and returned unpaid. Section 138 of the Act creates statutory offence in the matter of dishonor of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two years, or with fine which may extend to twice the amount of the cheque, or with both.

## **Shops and Establishments legislations**

Under the provisions of local shops and establishments legislations applicable in the states in India where our establishments are set up and business operations exist, such establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments, including commercial establishments, and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of records, maintenance of shops and establishments and other rights and obligations of the employers and employees. These shops and establishments' acts, and the relevant rules framed thereunder, also prescribe penalties in the form of monetary fine or imprisonment for violation of provisions, as well as procedures for appeal in relation to such contravention of the provisions.

### **Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017**

It covers all establishments employing 10 or more workers and governs the regulation of working conditions and rights of employees in shops, commercial establishments, residential hotels, theaters, and other places of business in Maharashtra. It replaced the earlier Shops and Establishments Act, 1948, introducing more modern and flexible provisions to cater to evolving business needs. It balances the interests of employers and employees by simplifying compliance processes while safeguarding worker rights. It encourages transparency and modernization in employment practices, benefiting both businesses and the workforce.

## **The Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022 (“Advertisement Guidelines”)**

The Advertisement Guidelines provide for the prevention of false or misleading advertisements and making endorsements relating thereto. The Advertisement Guidelines apply, inter alia, to a manufacturer and to all advertisements regardless of form, format or medium. The Advertisement Guidelines lays down the conditions for non-misleading and valid advertisement and prohibit surrogate or indirect advertisements of goods or services whose advertising is prohibited or restricted by law, by portraying it to be an advertisement for other goods or services, the advertising of which is not prohibited or restricted by law. Further, the Advertisement Guidelines lay down duties of, inter alia, a manufacturer and provide, inter alia, that every manufacturer shall ensure that all descriptions, claims and comparisons in an advertisement which relate to matters of objectively ascertainable facts shall be capable of substantiation. The Advertisement Guidelines further provide that any endorsement in an advertisement must reflect the genuine, reasonably current opinion of the individual, group or organization making

such representation and must be based on adequate information about, or experience with, the identified goods, product or service and must not otherwise be deceptive.

## **Regulations related to Foreign Trade and Investment**

### **The Foreign Direct Investment**

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through Consolidated FDI Policy Circular/Press Notes/Press Releases which are notified by the Department of Economic Affairs (DEA), Ministry of Finance, Government of India as amendments to the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 under the Foreign Exchange Management Act, 1999 (42 of 1999) (FEMA). DPIIT has issued consolidated FDI Policy Circular of 2020 (“FDI Policy 2020”), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until an updated circular is issued.

The reporting requirements for any investment in India by a person resident outside India under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 are specified by the RBI. Regulation 4 of the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 vide notification no. FEMA. 395/2019-RB dated 17.10.2019 issued by the RBI stipulates the reporting requirement for any investment in India by a person resident outside India. All the reporting is required to be done through the Single Master Form (SMF) available on the Foreign Investment Reporting and Management System (FIRMS) platform at <https://firms.rbi.org.in>. Under the current FDI Policy of 2020, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations.

### **Foreign Trade (Development and Regulation) Act, 1992 (“FTDRA”), the Foreign Trade (Regulation) Rules, 1993 (“FTRR”) and the Foreign Trade Policy 2023 (“Foreign Trade Policy”)**

The FTDRA provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India. The FTDRA empowers the Central Government to formulate and amend the foreign trade policy. The FTDRA prohibits any person from making an import or export except under an Importer-exporter Code Number (“IEC”) granted by the director general or any other authorized person in accordance with the specified procedure. The IEC may be suspended or cancelled if the person who has been granted such IEC contravenes, amongst others, any of the provisions of the FTDRA, or any rules or orders made thereunder, or the foreign policy or any other law pertaining to central excise or customs or foreign exchange. The FTDRA also prescribes the imposition of penalties on any person violating its provisions.

The FTRR prescribes the procedure to make an application for grant of a license to import or export goods in accordance with the foreign trade policy, the conditions of such license, and the grounds for refusal of a license.

The FTDRA empowers the Central Government to, from time to time, formulate and announce the foreign trade policy. The Foreign Trade Policy came into effect from April 1, 2023. The Foreign Trade Policy, inter alia, governs the import and export of goods, sets out mandatory documentation required for the import and export of goods, principles of restriction and prohibitions of trade with certain identified jurisdictions and groups. The Foreign Trade Policy also sets out a framework to promote cross border trade in the digital economy and a mechanism of settlement of complaints in connection with the quality of goods and other trade disputes.

### **Foreign Exchange Management Act, 1999 (“FEMA”) and Regulations framed thereunder:**

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the ‘automatic route’ within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIF and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 (“FEMA Regulations”) to prohibit, restrict or

regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 for regulation on exports of goods and services.

### **Ownership restrictions of FIIs**

Under the portfolio investment scheme, the total holding of all FIIs together with their sub-accounts in an Indian company is subject to a cap of 24% of the paid-up capital of a company, which may be increased up to the percentage of sectoral cap on FDI in respect of the said company pursuant to a resolution of the board of directors of the company and the approval of the shareholders of the company by a special resolution in a general meeting. The total holding by each FII, or in case an FII is investing on behalf of its sub-account, each sub-account should not exceed 10% of the total paid-up capital of a company.

### **Intellectual property laws**

#### **The Trademarks Act, 1999 (“Trademarks Act”)**

The Trademarks Act governs the registration, statutory protection of trademarks and prevention of the use of fraudulent marks in India. Indian law permits the registration of trademarks for both goods and services. It also provides for exclusive rights to marks such as brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. Under the provisions of the Trademarks Act, an application for trademark registration may be made with the Trademarks Registry by any person or persons claiming to be the proprietor of a trademark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, after which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trademarks Act. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks among others. Further, pursuant to the notification of the Trademarks (Amendment) Act, 2010, simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. It also seeks to simplify the law relating to the transfer of ownership of trademarks by assignment or transmission and to bring the law in line with international practices.

### **Labour law legislations**

#### **Contract Labour (Regulation and Abolition) Act, 1970 (“CLRA Act”)**

The CLRA Act has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA Act applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA Act vests the responsibility on the principal employer of an establishment to which the CLRA Act applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA Act applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The principal employer is under an obligation to provide various facilities as provided under the CLRA Act, within a prescribed time period, in case the contractor does not provide such facilities. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA Act.

#### **Other Labour Law Legislations**

The various labour and employment related legislations that may apply to our operations, from the perspective of protecting the workers’ rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include the following:

- Child Labour (Prohibition and Regulation) Act, 1986 and Child Labour (Prohibition and Regulation) Rules, 1988;
- Employees’ Compensation Act, 1923;
- Employees’ Provident Funds and Miscellaneous Provisions Act, 1952;
- Employees’ State Insurance Act, 1948;
- Equal Remuneration Act, 1976;
- Industrial Disputes (Amendment and Miscellaneous Provisions) Act, 1956;

- Industrial Disputes Act, 1947 and Industrial Disputes (Central) Rules, 1957;
- Industrial Employment (Standing Orders) Act, 1946;
- Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
- Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by certain Establishments) Act, 1988 as amended by Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by certain Establishments) Amendment Act, 2014;
- Maternity Benefit Act, 1961;
- Minimum Wages Act, 1948;
- Payment of Bonus Act, 1965;
- Payment of Gratuity Act, 1972;
- Payment of Wages Act, 1936;
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- The Employee's Compensation Act, 1923 as amended by Employee's Compensation (Amendment) Act, 2017;
- Trade Unions Act, 1926; and
- Workmen's Compensation Equal Remuneration Act, 1976.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes, which will be brought into force on a date to be notified by the Central Government:

Code on Wages, 2019, which regulates and amalgamates wage and bonus payments and subsumes 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. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees. The Central Government has notified certain provisions of the Code on Wages, mainly in relation to the constitution of the central advisory board.

Industrial Relations Code, 2020, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes and simplifies the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

Code on Social Security, 2020, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, Building and Other Construction Workers' Welfare Cess Act, 1996 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organizations such as the Employee's Provident Fund Organization and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

The Occupational Safety, Health and Working Conditions Code, 2020, consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Factories Act, 1948, Contract Labour (Regulation and Abolition) Act, 1970, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.

## **Safety & Environment laws**

### **Environment protection laws**

Environment (Protection) Act, 1986 (the "EP Act"), Environment (Protection) Rules, 1986 (the "EP Rules") and Environmental Impact Assessment Notification, 2006 ("EIA Notification") The EP Act has been enacted for the protection and improvement of the environment. EP Act empowers the government to take all measures to protect and improve the quality of environment, such as by laying down standards for emission and discharge of environmental pollutants, providing for restrictions regarding areas where industries may operate and laying down safeguards for handling hazardous substances, amongst others. It is in the form of an umbrella legislation designed to provide a framework for Central Government to coordinate the activities of various central and state authorities established under previous laws. It is also in the form of an enabling law, which delegates wide powers to the



executive to enable bureaucrats to frame necessary rules and regulations. Further, the EP Rules specify, inter alia, the standards for emission or discharge of environmental pollutants, restrictions on the location of industries and restrictions on the handling of hazardous substances in different areas. For contravention of any of the provisions of the EP Act or the rules framed thereunder, the punishment includes either imprisonment or fine or both. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

### **Maharashtra Pollution Control Board (MPCB)**

The Maharashtra Pollution Control Board (MPCB) guidelines are aimed at regulating and mitigating environmental pollution across industries in Maharashtra to ensure sustainable development and public health. These guidelines, aligned with national environmental laws such as the Environment Protection Act, 1986, and specific state policies, apply to industries emitting pollutants into air, water, or soil. Businesses must obtain necessary permissions, including the Consent to Establish (CTE) before commencing operations and the Consent to Operate (CTO) for continued functioning. The MPCB mandates adherence to prescribed standards for wastewater treatment, emissions control, and hazardous waste disposal. Industries are required to install pollution control equipment, conduct periodic environmental audits, and submit compliance reports regularly. Special emphasis is placed on high-pollution sectors such as chemical manufacturing, paper production, and mining, with stricter norms and monitoring. The MPCB also enforces compliance with the Plastic Waste Management Rules, 2016, and E-Waste Management Rules, 2016, particularly for packaging-intensive or electronics-related industries. Non-compliance may result in fines, suspension of operations, or legal action. Additionally, the MPCB promotes initiatives like water conservation, renewable energy, and green building practices to reduce the environmental footprint of businesses. These guidelines are pivotal for balancing Maharashtra's industrial growth with environmental preservation.

### **National Environmental Policy, 2006**

This Policy seeks to extend the coverage and fill in gaps that still exist. This policy was prepared through an intensive process of consultation within the Government. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of the National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation.

### **Air (Prevention and Control of Pollution) Act, 1981(the "Air Act") and Air (Prevention and Control of Pollution) Rules, 1982 ("Air Rules")**

The Air Act was enacted to provide for the prevention, control and abatement of air pollution in India. It is a specialized piece of legislation which was enacted to take appropriate steps for the preservation of natural resources of the earth, which among other things include the preservation of the quality of air and control of air pollution. The Air Act stipulates that no person shall, without prior written consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area, as notified by the state pollution control board. Further, such an industrial plant shall not be permitted to emit air pollutants in excess of the standards laid down by the state pollution control board. The Air Rules provides for the procedure for transaction of business of the central pollution control board ("Central Board") and its various committees. The Air Rules further mandate the Central Board to submit an annual report with a full account of its activities in the previous year to the Central Government.

### **Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”) and Water (Prevention and Control of Pollution) Board, 1975 (“Water Rules”)**

The Water Act was enacted to control and prevent water pollution and for maintaining or restoring of wholesomeness of water in the country. The Water Act provides for the establishment of Pollution Control Boards (“PCBs”) at Central and State levels to establish and enforce standards for discharging pollutants into water bodies. Further, any person intending to establish any industry, operation or process or any treatment and disposal system which is likely to discharge sewage or other pollution into a water body is required to obtain prior consent of the relevant state PCB. The Water Rules provide for inter alia the terms and conditions of service of members of the Central PCB and its various committees and the functions of the central water laboratory. As per the Rules, the Central PCB has the power to take samples of water, for the purpose of analysis, from any sewage or trade effluent into any stream or well in any Union Territory. Further, the Water Rules mandate the Central PCB to submit an annual report with a full account of its activities in the previous financial year to the Central Government.

### **Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “Hazardous Waste Rules”)**

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. The term “hazardous waste” has been defined in the Hazardous Waste Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an “occupier”. Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter and operator is liable for all damages caused to the environment resulting from the improper handling and disposal of hazardous and other waste and the occupier or operator of the disposal facility shall be liable to pay any financial penalty that may be levied for any violation of the provisions of the Hazardous Waste Rules by the respective state pollution control board with the prior approval of the central pollution control board.

### **Plastic Waste Management Rules, 2016 (“PWM Rules”)**

The PWM Rules are applicable to every waste generator, local body, gram panchayat, manufacturer, importers and producer. Under the PWM Rules, all institutional generators of plastic waste, are required to inter alia, segregate and store the waste generated by them in accordance with the Municipal Solid Waste (Management and Handling) Rules, 2000, and handover segregated wastes to authorized waste processing or disposal facilities or deposition centers, either on its own or through the authorized waste collection agency. Further, every waste generator shall take steps to minimize generation of plastic waste. The PWM Rules further provide for levy of environmental compensation based upon the polluter pays principle on persons who are not complying with the provisions of the PWM Rules, as per guidelines notified by the Central PCB.

### **Noise Pollution (Regulation and Control) Rules, 2000 (“Noise Pollution Rules”)**

The Noise Pollution Rules were enacted to regulate and control noise producing and generating sources with the objective of maintaining of ambient air quality standards in respect of noise. Pursuant to the Noise Pollution Rules, different areas / zones shall be classified into industrial, commercial, residential or silence areas/zones, with each area having a permitted ambient air quality standard in respect of noise. The Noise Pollution Rules provide for penalties in case the noise levels in any area / zone exceed the permitted standards.

### **Public Liability Insurance Act, 1991 (“Public Liability Act”)**

The Public Liability Act, as amended, imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such substances. A list of ‘hazardous substances’ covered by the legislation has been enumerated by the Government by way of a notification under the EPA. The owner or handler is also required to take out an insurance policy that insures against liability under the legislation. The rules notified under the Public Liability Act mandate that the employer has to contribute towards the Environmental Relief Fund a sum equal to the premium payable to the insurer on the policies taken.

## **Other applicable laws**

In addition to the above, our Company is also required to comply with the Companies Act, 2013 and rules framed thereunder, the Competition Act, 2002 and other applicable statutes imposed by the Centre or the State Government and authorities for our day-to-day business and operations.

### **The Companies Act, 2013**

The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law lays down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

### **SEBI Regulations (the “SEBI Regulations”)**

Securities and Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from the Securities and Exchange Board of India Act, 1992, Securities Contracts (Regulation) Act, 1956, Securities Contract (Regulations) Rules, 1957 and other rules and regulations, listed entities are mainly regulated by SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

### **The Arbitration and Conciliation Act, 1996**

The Arbitration and Conciliation Act, 1996 is a comprehensive legislation in India that governs domestic arbitration, international commercial arbitration, and the enforcement of foreign arbitral awards. It provides a framework for resolving disputes outside the traditional court system, promoting efficient and fair dispute resolution. The Act covers the composition of arbitral tribunals, conduct of arbitral proceedings, making and enforcement of arbitral awards, and procedures for conciliation. It aims to reduce the burden on courts and encourage alternative dispute resolution methods.

### **The Insolvency and Bankruptcy Code, 2016**

The Insolvency and Bankruptcy Code, 2016 consolidates and amends laws related to insolvency resolution for companies, partnerships, and individuals in India. It aims to provide a time-bound process for resolving insolvency, maximizing the value of assets, and balancing the interests of all stakeholders. The Code establishes a framework for the efficient and effective resolution of insolvency, promoting entrepreneurship and availability of credit. It also includes provisions for the recognition and enforcement of foreign insolvency judgments and awards and sets up the Insolvency and Bankruptcy Board of India to oversee the implementation of the Code.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was originally incorporated as a private limited company in the name & style ‘*Albatross Speciality Papers Private Limited*’ under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated April 15, 2008 issued by the Assistant Registrar of Companies, Maharashtra, Mumbai. Thereafter, upon change in control and management of the Company, pursuant to special resolution passed by the shareholders of our Company at the extraordinary general meeting held on January 18, 2011 at shorter notice, the name of our Company was changed to ‘*Saffron Speciality Papers Private Limited*’ and a fresh certificate of incorporation pursuant to change of name dated January 28, 2011 was issued by Deputy Registrar of Companies, Maharashtra, Mumbai. Thereafter, our Company was converted to a public limited company, pursuant to a special resolution passed by the shareholders of our Company at the extraordinary general meeting held on June 12, 2024 and the name of our Company was changed to ‘*Saffron Speciality Papers Limited*’ and a fresh certificate of incorporation consequent upon conversion to a public limited company dated September 17, 2024 was issued to our Company by the Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies, Central Processing Centre. The Corporate Identify Number of the Company is U51396MH2008PLC181181.

Devratan Shivkisan Daga and Vipul Desai were the initial subscribers to the Memorandum of Association of our Company. In January-February 2011, there was change in the management and control of the Company, pursuant to which Vikash Suresh Agarwal and Amisha Agarwal became the promoters and directors of our Company. Subsequently, in March 2011, there was further capital infusion into the Company wherein current promoter, Sweta Agarwal (sister-in-law of Late Vikash Suresh Agrawal) infused minimal capital along-with other shareholders and became member of our Company. Since then, Vikash Suresh Agarwal, Amisha Agarwal and Sweta Agarwal were actively involved in the operations of the Company. Sweta Agarwal was also introduced as Executive Director in the Company in November, 2021. In 2022, Vikash Suresh Agarwal had transferred his entire holding to Mr. Rajesh Agarwal (brother of Vikash Suresh Agarwal) pursuant to a Gift Deed dated March 15, 2022 due to his critical health conditions. Subsequently, Vikas Suresh Agrawal succumbed to his health condition and passed away in June 2022, thereby ending his directorship in the Company. Further, in December 2023, Amisha Agarwal remarried and transferred her entire holding to her then nephew Harshiel Agarwal vide a gift deed dated December 07, 2023. Further, Abbas Presswala who was associated with the Company as dealer for supply of raw materials since January 2023 and later on upon acquiring 10.87% in March 2024 was introduced in the Company as Promoter. Currently, Sweta Agarwal (Chairman & Managing Director), Harshiel Agarwal and Abbas Presswala are the Promoters of the Company who collectively hold 88.73% of the pre-issue paid-up capital of the Company. For further details of our promoter please refer the chapter titled “*Our Promoters and Promoter Group*” and “*Our Management*” beginning on page no. 186 and 173 of this Draft Red Herring Prospectus.

For information on our Company’s profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major vendors and suppliers, please refer the chapter titled “*Our Business*”, “*Industry Overview*”, “*Our Management*”, “*Restated Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 110, 173, 194 and 235 respectively of this Draft Red Herring Prospectus.

Our Company has 30 (Thirty) shareholders as on the date of filing of this Draft Red Herring Prospectus.

### Changes in the registered office of our Company

Except as stated below, there has been no change in the address of the registered office of our Company since the date of incorporation:

Effective date of Change	Details of Change	Reason for change
January 19, 2011	The registered office was changed from Shop No. 1-2, Caroline Apartments, K’Villa Road, Thane West, Thane 400601 to Unit No. 162/10, Indian Corporation, Opp Indian Oil Petrol Pump, Mankoli Naka, Bhiwandi, Thane 421302	Due to change in control and management
April 07, 2022	Changed from Unit No. 162/10, Indian Corporation, Opp Indian Oil Petrol Pump,	Shifted the set-up to land owned by Promoters

Effective date of Change	Details of Change	Reason for change
	Mankoli Naka, Bhiwandi, Thane 421302 to Survey No. 53, Hissa 29, 75/2, 77/5, Village Aamne, Near Indian Petrol Pump, Bhiwandi Taluka, Thane 421302	

### Main objects of our Company

The main objects contained in our Memorandum of Association are as mentioned below:

- To carry on the business in India or abroad of manufacturing, producing, processing, converting, developing, distributing, promoting, supplying, importing, exporting, buying, selling, trading and dealing in all types of papers including hygiene paper products used for personal hygiene viz. paper napkin, toilet rolls, kitchen towel, c fold napkin, N fold tissues, wet wipes, utility rolls, facial tissue, and party pack issue, writing papers, printing papers, absorbent papers, packing & wrapping papers, wall and ceiling papers, badami, brown or bugg papers, bible papers, cartridge papers, cloth lined papers, wove papers, cream laid, woven and non-woven papers, corrugated craft liner papers, speciality papers, grease proof papers, gummed papers, handmade papers, parchment papers, drawing papers craft papers, manila papers, envelope papers, tracing pages, vellum papers, water proof papers, carbon and carbonless papers, ammonia papers, chemically treated papers, cartoon papers and craft papers, duplex boards, triplex boards, hard boards, plywood boards, postcards, railway tickets, mill boards, visiting cards, straw boards, cardboard boxes, cartons fiber boards, corrugated boards, glazed boards, size boards, coloured boards, laminated boards, pressed boards, messonite boards, weather coated, glazed, polished, corrugated, laminated or otherwise made of pulp produce from waste, wood, bamboo, grass, jute, husk and other materials or any combination thereof and to deal in its raw materials, intermediates, ingredient, substances, consumables and related material thereof.
- To carry on in India or elsewhere the business as printers on the ready-made textile, customised textile, printing on any other materials, publishers, typesetter, DPT operators, proof readers, binders, cutter, perforators, laminators, designers, authors, writer and editors of publication all varieties, descriptions, specifications, applications and uses including books, novels, magazines, journals, souvenirs, newsletters, periodicals, bulletins, pamphlets, forms, catalogues, diaries, calendars, posters, pictures, stickers, text books, law books, school books, college books, newspapers and other allied applications on any subject what so ever in print as well as in electronic media.

### Amendments to our Memorandum of Association in the last 10 years

Set out below are the amendments to our Memorandum of Association in the 10 years preceding the date of this Draft Red Herring Prospectus:

Date of Meeting	Type of Meeting	Nature of amendment
January 18, 2011	Extra Ordinary General Meeting	Clause I of the MoA was substituted to reflect the change in the name of our Company from 'Albatross Speciality Papers Private Limited' to 'Saffron Speciality Papers Private Limited'
February 05, 2011	Extra Ordinary General Meeting	Clause V of the MoA was substituted to reflect the increase in the authorized share capital of our Company from Rs. 1,00,000 divided into 10,000 Equity Shares of Rs. 10 each to Rs. 1,51,00,000 divided into 15,10,000 Equity Shares of Rs. 10 each
September 26, 2022	Extra Ordinary General Meeting	Clause III was amended to: <ul style="list-style-type: none"> <li>to insert clause A (2) as follow: <p>'To carry on in India or elsewhere the business as printers on the ready-made textile, customised textile, printing on any other materials, publishers, typesetter, DPT operators, proof readers, binders, cutter, perforators, laminators, designers, authors, writer and editors of publication all varieties, descriptions, specifications, applications and uses including books, novels, magazines, journals, souvenirs, newsletters, periodicals, bulletins, pamphlets, forms, catalogues, diaries, calendars, posters, pictures, stickers, text books, law books, school books, college books, newspapers and other allied</p> </li> </ul>

Date of Meeting	Type of Meeting	Nature of amendment
		<p>applications on any subject what so ever in print as well as in electronic media.’</p> <ul style="list-style-type: none"> <li>Substituting the heading of sub clause B from existing ‘the Objects incidental or ancillary to the attainment of the main objects are’ to ‘Matters which are necessary for furtherance of the objects specified in Clause III(A) are’</li> <li>Adopting new set of ancillary objects in accordance with the Companies Act 2013 and the Companies (Incorporation) Rules, 2014</li> </ul>
March 04, 2024	Extra Ordinary General Meeting	Clause V of the MoA was substituted to reflect the increase in the authorized share capital of our Company from Rs 1,51,00,000 divided into 15,10,000 Equity Shares to Rs. 15,00,00,000 divided into 1,50,00,000 Equity Shares of Rs. 10 each
June 12, 2024	Extra Ordinary General Meeting	Clause I of the MoA was substituted to reflect the change in the name of our Company from ‘Saffron Speciality Papers Private Limited’ to ‘Saffron Speciality Papers Limited’ pursuant to conversion of our Company from private to public
January 15, 2024	Extra Ordinary General Meeting	Clause V of the MoA was substituted to reflect the increase in the authorized share capital of our Company from Rs. 15,00,00,000 divided into 1,50,00,000 Equity Shares to Rs. 20,00,00,000 divided into 2,00,00,000 Equity Shares of Rs. 10 each

### Major events and milestones

The table below sets forth the major events and milestones in the history of our Company:

Month & Year	Particulars
April 2008	Incorporation of the Company
Jan-March 2011	Change in control and management of the Company
April 2021	Introduction of new business segment namely Commercial Printing
April 2022	Shifted to manufacturing facility at Survey No. 53, Hissa 29, 75/2, 77/5, Village Aamne, Near Indian Petrol Pump, Bhiwandi Taluka, Thane 421302 with better infrastructure and larger area (‘Unit 1’)
October 2022	Started manufacturing on own Premises for Commercial Printing Segment
November 2024	Investment from SB Opportunities Fund I
December 2024	Set up and partial commencement of new manufacturing facility (‘Unit 2’) adjacent to the existing manufacturing facility with built up area of 7934 sq. mtrs. Introduction of new business segment namely ‘Paper Packaging’
January 2025	Empaneled vendors for supplying Paper Packaging products for some of the reputed brands in Electricals, Ecommerce and Food sector for new Paper Packaging segment and successfully secured work orders in this segment
January 2025	Introducing sustainable and eco-friendly product line-in Notebook/Back-to-School Paper Stationery segment i.e. ‘EcoNama’ Notebooks specifically for domestic market

### Key awards, accreditations or recognitions

Our manufacturing and printing unit is having the following technical certifications:

Sr. No.	Name of Quality Certification	Initial issue date	Valid up to	Purpose of Quality Certificate	Activities Covered
1.	ISO 14001:2015	December 9, 2024	December 8, 2027	Environmental Management Systems	Manufacturer, Traders & Exporters of Paper and Paper Products/ Stationery Product and Packaging Product and Commercial Printing
2.	ISO 45001:2018	December 9, 2024	December 8, 2027	Occupational Health and Safety Management Systems	Manufacturer, Traders & Exporters of Paper and Paper Products/ Stationery Product

Sr. No.	Name of Quality Certification	Initial issue date	Valid up to	Purpose of Quality Certificate	Activities Covered
					and Packaging Product and Commercial Printing
3.	ISO 9001:2015	December 9, 2024	December 8, 2027	Quality Management Systems	Manufacturer, Traders & Exporters of Paper and Paper Products/ Stationery Product and Packaging Product and Commercial Printing

Our Company also has Two Star Export House certification dated October 10, 2023 issued by Directorate General of Foreign Trade, Department of Commerce, in accordance with the provisions of the Foreign Trade Policy, 2023, which is valid up to March 31, 2028.

### **Our Holding Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have any Holding Company.

### **Our Subsidiaries**

As on the date of this Draft Red Herring Prospectus, our Company does not have any Subsidiary Company.

### **Our Associate or Joint Ventures**

As on the date of this Draft Red Herring Prospectus, our Company does not have any associate company or joint venture.

### **Time/cost overrun in setting up Projects by our Company**

Our Company has not experienced any time or cost overruns in setting up its projects.

### **Defaults or rescheduling/ restructuring of borrowings with financial institutions/banks**

There have been no defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks in respect of our current borrowings from the lenders.

### **Significant financial and/or strategic partners.**

We do not have any financial or strategic partnerships as on the date of this Draft Red Herring Prospectus.

### **Capacity/ facility creation, location of plants, launch of key products or services, entry into new geographies or exit from existing markets.**

For details of key products or services launched by our Company, capacity/ facility creation, location of our Manufacturing Facilities, entry into new geographies or exit from existing markets to the extent applicable, see the section titled “*Our Business*” on page no. 135 of this Draft Red Herring Prospectus.

### **Details of Material Acquisitions or Divestments of Business/ Undertaking in the last 10 years**

Our Company has not made any material acquisitions or divestments of any business / undertaking in the 10 years preceding the date of this Draft Red Herring Prospectus.

### **Mergers or Amalgamations in the last 10 years**

Our Company has not undertaken any merger or amalgamation in the 10 years preceding the date of this Draft Red Herring Prospectus.

**Revaluation of Assets in the last 10 years**

Our Company has not revalued its assets in the 10 years preceding the date of this Draft Red Herring Prospectus.

**Lock-outs and Strikes**

There have been no lock outs or strikes at any of the location of our Company as on the date of this Draft Red Herring Prospectus.

**Shareholders' agreements**

Our Company does not have any subsisting shareholders' agreements

**Agreements with Key Managerial Personnel, Senior Management, Director, Promoters or any other employee**

Neither our Promoters, nor any of the Key Managerial Personnel, Senior Management, Directors or employees of our Company have entered into an agreement, 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 the dealings of the securities of our Company.

**Material Agreements**

Except as disclosed above and in the chapter titled "*Our Business*" on page no. 135 of this Draft Red Herring Prospectus, we have not entered into any material agreement / contract as on the date of this Draft Red Herring Prospectus.



## OUR MANAGEMENT

The Companies Act, 2013 requires our Board to have at least 3 (three) Directors and not more than 15 (fifteen) Directors. As on the date of this DRHP, our Board comprises of 6 (six) Directors, consisting of 1 (one) Chairman & Managing Director, 1 (one) Whole-time Director, 1 (one) Non-Executive Director and 3 (three) Independent Directors. There are 2 (two) Woman Directors in our Board. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act 2013 and the SEBI Listing Regulations.

The following table sets forth details regarding our Board of Directors as on the date of filing of this DRHP with SEBI:

### Board of Directors

Sr. No.	Name, DIN, Designation, Term, Period of Directorship, Address, Occupation, Nationality, Date of Birth, Age	Other Directorships
1.	<p><b>Sweta Agarwal</b>  <b>DIN:</b> 05102406  <b>Designation:</b> Chairman and Managing Director  <b>Term:</b> 3 years with effect from June 12, 2024 to June 11, 2027  <b>Period of Directorship:</b> Since November 20, 2021  <b>Address:</b> 1103/04, Brookhill, Hiranandani Estate, Off Ghodbunder Road, Patlipada, Thane west, Thane 400607, Maharashtra  <b>Occupation:</b> Service  <b>Nationality:</b> Indian  <b>Date of Birth:</b> October 04, 1982  <b>Age:</b> 41 Years</p>	<p><b>Indian Companies</b>                      1. Seagate Speciality Products Private Limited</p> <p><b>Foreign Companies</b>                      Nil</p>
2.	<p><b>Amisha Agarwal</b>  <b>DIN:</b> 03356275  <b>Designation:</b> Whole-time Director  <b>Term:</b> 3 years with effect from June 12, 2024 to June 11, 2027  <b>Period of Directorship:</b> Since January 18, 2011  <b>Address:</b> 603, Shyam Shruti Building, Near Shyam Mandir, Near V.I.P. Plaza, V.I.P. Road, Vesu, Surat 395007, Gujarat  <b>Occupation:</b> Service  <b>Nationality:</b> Indian  <b>Date of Birth:</b> December 25, 1983  <b>Age:</b> 40 Years</p>	<p><b>Indian Companies</b>                      1. Seagate Speciality Products Private Limited</p> <p><b>Foreign Companies</b>                      Nil</p>
3.	<p><b>Harshiel Agarwal</b>  <b>DIN:</b> 10506264  <b>Designation:</b> Non-Executive Director  <b>Term:</b> Liable to retire by rotation  <b>Period of Directorship:</b> Since February 14, 2024  <b>Address:</b> 1103/04, Brookhill, Hiranandani Estate, Off Ghodbunder Road, Patlipada, Thane west, Thane 400607, Maharashtra  <b>Occupation:</b> Student  <b>Nationality:</b> Indian  <b>Date of Birth:</b> November 23, 2005  <b>Age:</b> 18 Years</p>	<p><b>Indian Companies</b>                      1. Seagate Speciality Products Private Limited</p> <p><b>Foreign Companies</b>                      Nil</p>
4.	<p><b>Narayanan Ananthakrishnan Iyer</b>  <b>DIN:</b> 03470438  <b>Designation:</b> Non-Executive Independent Director  <b>Term:</b> 5 years with effect from June 12, 2024 to June 11, 2029  <b>Period of Directorship:</b> Since June 12, 2024</p>	<p><b>Indian Companies</b>                      1. RG Mobility Private Limited                      2. Ruby Vacation Private Limited                      3. Keystone Global Advisory Solutions Private Limited                      4. Unlock Value Financial Advisors</p>

Sr. No.	Name, DIN, Designation, Term, Period of Directorship, Address, Occupation, Nationality, Date of Birth, Age	Other Directorships
	<b>Address:</b> B-1702 Integrated Kamal, Mulund Goregaon, Link Road, Opp Mulund Registration Office, Mulund West, Mumbai 400080, Maharashtra <b>Occupation:</b> Professional <b>Date of Birth:</b> May 19, 1978 <b>Nationality:</b> Indian <b>Age:</b> 46 Years	Private Limited 5. Mideast Windfarms Private Limited 6. Mideast Properties Private Limited 7. Molem Investments and Finance Private Limited 8. Radaan Media Works India Limited  <b>Foreign Companies</b> Nil
5.	<b>Mahavir Prasad Hingar</b> <b>DIN:</b> 03384356 <b>Designation:</b> Non-Executive Independent Director <b>Term:</b> 5 years with effect from June 12, 2024 to June 11, 2029 <b>Period of Directorship:</b> Since June 12, 2024 <b>Address:</b> Building No. A7, Flat No. 61, Avillion Green Fields CHS Ltd, Jogeshwari Vikhroli Link Road, Mumbai 400093, Maharashtra <b>Occupation:</b> Retired <b>Date of Birth:</b> May 12, 1961 <b>Nationality:</b> Indian <b>Age:</b> 63 Years	<b>Indian Companies</b> Nil  <b>Foreign Companies</b> Nil
6.	<b>Jaykishan Rathi</b> <b>DIN:</b> 10868613 <b>Designation:</b> Non-Executive Independent Director <b>Term:</b> 5 years with effect from December 21, 2024 <b>Period of Directorship:</b> Since December 21, 2025 <b>Address:</b> C/203 East Point, Althan Bhimrad Canal Road, Althan, Surat 395017, Gujarat <b>Occupation:</b> Professional <b>Date of Birth:</b> May 26, 1989 <b>Nationality:</b> Indian <b>Age:</b> 35 Years	<b>Indian Companies</b> Nil  <b>Foreign Companies</b> Nil

#### Brief Profile of the Directors:

**Sweta Agarwal** aged 41 years, is the Promoter, Chairman and Managing Director of our Company. She has been on the Board of Directors of our Company since November 20, 2021. She holds a Bachelor's degree in Arts from University of Delhi. She is also Director of our Group Company, Seagate Speciality Products Private Limited since its incorporation. She is Head of Operations in our Company and has been managing the overall operations of the Company. She spearheaded the business diversification in 2021 into Commercial Printing segment, which contributes 32.52% of our Revenue from Operations in March 31, 2024. She has around 13 years of experience in Paper Stationery & Printing Industry.

**Amisha Agarwal** is a Whole-time Director of our Company. She has been on the Board of Directors of our Company since January 18, 2011. She has done Senior Secondary from Board of Secondary Education, Rajasthan. She is also Director of our Group Company, Seagate Speciality Products Private Limited since November 20, 2021. She has around 13 years of experience in varied sector. She advises the Board on overall operations of the Company.

**Harshiel Agarwal** is a Non-Executive Director of our Company. He is a Board member of the Company since February 14, 2024. He has completed International Baccalaureate Diploma from Singapore International School and is currently pursuing Bachelor's in Business Administration from Atlas Skilltech University (ISME School of Management & Entrepreneurship). Being the third-generation in Paper Stationery & Printing business, he has better understanding of the Industry and Market dynamics. He has recently joined the operations of the Company and assists in Sales & Marketing.

**Narayanan Ananthkrishnan Iyer** is a Non-Executive Independent Director of our Company. He has been associated with our Company since June 12, 2024. He holds a Bachelor's degree in Commerce from University of Mumbai University and Law degree from University of Mumbai. He was associated with Axis Bank as Manager, Citi Bank as Executive, First Object Technologies limited as Director IT/Finance, JRL Financial Services as Associate Director and ULJK Group as Head – Investment Banking in the past. He is currently associated with Keystone Global Advisory Solutions Private Limited, Unlock Value Financial Advisors Private Limited, Mideast Windfarms Private Limited, Mideast Properties Private Limited, Molem Investments and Finance Private Limited, Radaan Media Works India Limited, Frontguard Investments Limited and Indium Home Care Private Limited as Director. He more than 2 decades of vast experience in the field of Investment Banking, Merchant Banking, Corporate Financing, M&A, Consulting and Supply Chain Financing including International Fund Raising, Restructuring of Business, etc. He was accredited the 'Top 10 best CIO' for 2021 by CEO Insights Forum.

**Mahavir Prasad Hingar** is a Non-Executive Independent Director of our Company. He has been associated with our Company since June 12, 2024. He holds a Bachelor's degree in Commerce from Rajasthan University. He is a Fellow member of Institute of Chartered Accountant of India. He was associated with R K Processors Ltd as Accounts & Finance Manager, Essel Propack Limited as Senior Accounts Manager, Modern Petrolfils as Assistant Vice President, Zdpl as Assistant Vice President, Sun Management as Director (Finance) and Reliance Commercial Finance Ltd as Independent Director, in the past. He also heads his own practice in audit & taxation field viz. M P Hingar & Co., Chartered Accountants, since February 2016.

**Jaykishan Rathi** is a Non-Executive Independent Director of our Company. He has been associated with our Company since December 21, 2024. He holds Bachelor's degree in Commerce and Master's degree in Arts from Veer Narmad South Gujarat University. He is a member of Institute of Chartered Accountant of India and Institute of Company Secretaries of India. He also holds Diploma in Banking & Finance from the Indian Institute of Banking & Finance, Mumbai and Diploma in Insurance & Risk Management from Institute of Chartered Accountant of India. He has Post Qualification Course in Information System Audit from Institute of Chartered Accountant of India. He is a Practicing Chartered Accountant since 12 years. He is associated with M/s. GDMR & Associates, Chartered Accountants as Partner with area of expertise in IBC 2016, Auditing, Management Consultancy, Goods & Service Tax, Income Tax, Company Law Matters, Project Financing, Bank Auditing (Statutory, Concurrent, Stock-Book Debt Audit & Revenue Audits), Due Diligence etc.

### **Confirmations**

- i. None of the Directors of our Company are Wilful Defaulters or Fraudulent Borrowers as on the date of this DRHP. None of the Directors of our Company are declared Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018. Further, our directors are not debarred from accessing the capital markets by SEBI.
- ii. None of our directors are or have been Directors in any of the listed companies, which have been/ were delisted from the stock exchange(s). None of our directors are or have been directors in any of the listed companies whose shares have been/were suspended from being traded on the BSE Limited / National Stock Exchange of India Limited.
- iii. None of our directors are or have been directors in any of the listed companies in the 5 (five) years preceding the date of this DRHP, whose shares have been/were suspended from being traded on any of the stock exchange(s) during his / her tenure in that Company(ies).
- iv. There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the abovementioned Directors was selected as director or member of senior management.
- v. The Company has not entered into any service contracts with its Directors providing for benefits upon termination of employment.

### **Relationship between our Directors and any of our Directors and our Key Managerial Personnel and Senior Management Personnel**

Except Sweta Agarwal and Harshiel Agarwal related as Mother-Son, none of the Directors, Key Managerial Personnel and Senior Management Personnel are related.

## **Borrowing Powers**

Pursuant to a special resolution passed at an Annual General Meeting of our Company held on September 30, 2024 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), the Members of the Company, authorized the Board of Directors of the Company, for borrowing monies from time to time, from, including without limitation, any Bank and/or other Financial Institution and/or foreign lenders and/or anybody corporate/entity/entities and/or authority/authorities, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding a sum of Rs. 100 Crore.

## **Remuneration/Compensation/Commission paid to Directors**

### *The details of remuneration of the Managing Director:*

#### *Sweta Agarwal, Chairman and Managing Director*

<b>Particulars</b>	<b>Remuneration</b>
Remuneration	Rs. 3,50,000 per month inclusive of Perquisites
Other Terms	In case our Company has no profits or in adequate profits, the remuneration shall be approved by Board and shall be paid minimum remuneration

In Fiscal 2024, she received an aggregate compensation of Rs. 16.20 lakhs.

### *The details of remuneration of the Directors:*

#### *Amisha Agarwal, Whole-time Director*

<b>Particulars</b>	<b>Remuneration</b>
Remuneration	Rs. 1,50,000 per month inclusive of Perquisites
Other Terms	In case our Company has no profits or in adequate profits, the remuneration shall be approved by Board and shall be paid minimum remuneration

In Fiscal 2024, she received an aggregate compensation of Rs. 13.20 lakhs.

## **Payment of sitting fees to Non-executive Independent Directors of our Company**

As on the date of this Draft Red Herring Prospectus, pursuant to a resolution passed by our Board on September 18, 2024, our Non-Executive Directors are each entitled to receive a sitting fee of Rs. 15,000 each for attending meeting of our Board and Rs. 15,000 each for every meeting of the various committees of our Board.

The abovementioned remuneration and perquisites are subject to the ceiling laid down in Section 197 and Schedule V of the Companies Act and all other applicable provisions of the Companies Act as may be amended from time to time. In case of payment of remuneration in excess of the prescribed limits, recovery of the excess amount may be waived by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee and with the approval of the Central Government as per the proviso to Section 197(1) of Companies Act, 2013.

Except as stated in this DRHP, no amount or benefit has been paid by our Company within the 2 (two) preceding years or is intended to be paid or given by our Company to any of our Company's officers including our Directors and Key Managerial Personnel.

Our Company does not have any bonus or profit-sharing plan for its Directors.

There is no contingent or deferred compensation payable to our Directors.

## Shareholding of the Directors in our Company

Our Articles of Association do not require our Directors to hold any qualification shares. Except as disclosed below, none of our Directors hold any Equity Shares in our Company as on date of this Draft Red Herring Prospectus:

S. No.	Name of Director	No. of Equity Shares held	% of Pre-Issue Equity Shares Capital	% of Post-Issue Equity Shares
1.	Sweta Agarwal	69,03,180	52.08%	[•]
2.	Harshiel Agarwal	35,14,194	26.51%	[•]

## Interest of Directors

Our Directors are interested in our Company in the following manner:

- i. All the Directors may be deemed to be interested to the extent of fees/remuneration, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles of Association. For further details of interest of our Directors in our Company, see “*Our Management - Remuneration/Compensation/Commission paid to Directors*” beginning on page no. 173 of this Draft Red Herring Prospectus.
- ii. Except Sweta Agarwal and Harshiel Agarwal, our Promoters, none of our Directors have any interest in the promotion of our Company by way of being Promoters of our Company, as on the date of this Draft Red Herring Prospectus.
- iii. Certain of our Directors may also be regarded as interested in Equity Shares held by them, if any, or that may be held by their relatives, or the entities with which they are associated as promoters or directors, and to the extent of any dividend payable to them and other distributions in respect of such Equity Shares. For details, see “*Capital Structure*” on page no. 70 of this Draft Red Herring Prospectus.
- iv. Our Directors have no interest in any property acquired by our Company or proposed to be acquired by our Company as of date of this DRHP. However, our Directors, Sweta Agarwal and Harshiel Agarwal have given on lease properties to our Company, details of which are mentioned in the chapter titled “*Our Business*” under the para ‘*Immovable Properties*’ on page no. 141 of this Draft Red Herring Prospectus.
- v. Our Directors may be interested to the extent of loans extended by them to our Company. For further details, please see “*Restated Financial Statements – Note 23 – Related Party Disclosures*” on page 219 of this Draft Red Herring Prospectus.
- vi. No sum has been paid or agreed to be paid to any of our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/her to become, or qualify him/her as, a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.
- vii. Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given within the 2 (two) preceding years or is intended to be paid or given to any of our Directors either to induce them to become or to qualify them as Directors except the normal remuneration for services rendered by them as Directors.
- viii. Sweta Agarwal (our Promoter, Chairman & Managing Director) and Amisha Agarwal (our Whole-time Director) are interested to the extent of personal guarantees given by them in favour of our Company against the loans sanctioned to our Company from our lender. For further details please see, “*Restated Financial Statements – Note 23 – Related Party Disclosures*” on page no. 219 of this Draft Red Herring Prospectus.
- ix. Certain of our Directors may be deemed to be interested in the transactions or arrangements, including for inter corporate loan, purchase/sale of products, entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or in which they are a member. For further details, please see “*Restated Financial Statements – Note 23 – Related Party Disclosures*” on page no. 219 of this Draft Red Herring Prospectus.

## Changes in our Board of Directors during the last 3 (three) years

The following changes have taken place in the Board of Directors of our Company during the last 3 (three) years:

Sr. No	Name	Date of Appointment/ change	Reason
1.	Jaykishan Rathi	December 21, 2024	Appointment as Non-Executive Independent Director

<b>Sr. No</b>	<b>Name</b>	<b>Date of Appointment/ change</b>	<b>Reason</b>
2.	Sweta Agarwal	June 12, 2024	Change in designation to Chairman & Managing Director
3.	Amisha Agarwal	June 12, 2024	Change in designation to Whole-time Director
4.	Mahavir Prasad Hingar	June 12, 2024	Appointment as Non-Executive Independent Director
5.	Narayanan Ananthakrishnan Iyer	June 12, 2024	Appointment as Non-Executive Independent Director
6.	Harshiel Agarwal	June 1, 2024	Change in designation to Non-Executive Director
7.	Harshiel Agarwal	February 14, 2024	Appointment as Executive Director
8.	Vikash Suresh Agarwal	June 20, 2022	Cessation as Chairman & Executive Director
9.	Sweta Agarwal	November 20, 2021	Appointment as Executive Director

### **Corporate Governance**

The provisions of the SEBI Listing Regulations with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We are in compliance with the requirements of the applicable provisions of the SEBI Listing Regulations, and the Companies Act, 2013, in respect of corporate governance including constitution of our Board of Directors and committees thereof.

Our Board of Directors has been constituted in compliance with the Companies Act, 2013, the SEBI Listing Regulations and in accordance with best practices in corporate governance. Our Board of Directors functions either as a full board, or through various committees constituted to oversee specific functions.

Currently, our Board comprises of 6 (six) Directors, consisting of 1 (one) Chairman & Managing Director, (1) Whole-time Director, 1 (one) Non-Executive Director and 3 (three) Independent Directors. There are 2 (two) Woman Directors in our Board.

### **Committees of the Board in accordance with the SEBI Listing Regulations**

#### **I. Audit Committee**

Audit Committee was constituted vide Board Resolution dated September 18, 2024. The existing Audit Committee of our Company as re-constituted on December 21, 2024, comprises of the following members:

<b>Directors</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Mahavir Prasad Hingar	Non-Executive Independent Director	Chairman
Jaykishan Rathi	Non-Executive Independent Director	Member
Sweta Agarwal	Chairman & Managing Director	Member

The Company Secretary shall act as the secretary to the audit committee.

The Audit Committee shall meet at least four times a year with maximum interval of 120 days between two meetings of the Audit Committee.

The role of the Audit Committee shall be in accordance with section 177 of the Companies Act, 2013 and all other applicable provision, if any, of the Companies Act, 2013 and the Companies (Meeting and Its Powers) Rules, 2014, and any other law for the time being enforce.

#### **The role of the Audit Committee shall include the following:**

- ii. oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- iii. recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- iv. approval of payment to statutory auditors for any other services rendered by the statutory auditors;

- v. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report;
  - h. reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the board for approval;
- vi. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- vii. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a 451 [public issue or rights issue or preferential issue or qualified institutions placement], and making appropriate recommendations to the board to take up steps in this matter;
- viii. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- ix. approval or any subsequent modification of transactions of the listed entity with related parties;
- x. scrutiny of inter-corporate loans and investments;
- xi. valuation of undertakings or assets of the listed entity, wherever it is necessary;
- xii. evaluation of internal financial controls and risk management systems;
- xiii. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiv. 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;
- xv. discussion with internal auditors of any significant findings and follow up there on;
- xvi. 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;
- xvii. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xviii. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xix. to review the functioning of the whistle blower mechanism;
- xx. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- xxi. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- xxii. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- xxiii. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- xxiv. performing such other activities as may be delegated by the Board of Directors and/or specified/provided under the Companies Act, 2013.

**The Audit Committee enjoys following powers:**

- i. To investigate any activity within its terms of reference;
- ii. To seek information from any employee;
- iii. To obtain outside legal or other professional advice; and
- iv. To secure attendance of outsiders with relevant expertise if it considers necessary.

**The Audit Committee shall mandatorily review the following information:**

- i. Management discussion and analysis of financial condition and results of operations;
- ii. Management letters / letters of internal control weaknesses issued by the Statutory Auditor(s);

- iii. Internal audit reports relating to internal control weaknesses;
- iv. The appointment, removal and terms of remuneration of the Internal Auditor shall be subject to review by the Audit Committee; and
- v. Statement of deviations: (a) half yearly statement of deviation(s) submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI LODR Regulations; and (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI LODR Regulations.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

### **Meeting of Audit Committee and Relevant Quorum**

The Audit Committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

## **II. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee was constituted vide Board Resolution dated September 18, 2024. The members of the Nomination and Remuneration Committee as re-constituted on December 21, 2024 are:

<b>Directors</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Jaykishan Rathi	Non-Executive Independent Director	Chairman
Mahavir Prasad Hingar	Non-Executive Independent Director	Member
Narayanan Ananthakrishnan Iyer	Non-Executive Independent Director	Member

The Company Secretary shall act as the secretary to the audit committee.

The role of the Nomination and Remuneration Committee shall be in accordance with Section 178 and all other applicable provision, if any, of the Companies Act, 2013 and the Companies (Meeting and Its Powers) Rules, 2014, and any other law for the time being enforce.

### **The role of the Nomination and Remuneration Committee shall include the following:**

- i. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- ii. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates
- iii. formulation of criteria for evaluation of performance of independent directors and the board of directors; devising a policy on diversity of board of directors;
- iv. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- v. 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.
- vi. recommend to the board, all remuneration, in whatever form, payable to senior management.
- vii. performing such other activities as may be delegated by the Board of Directors and/or specified/provided under the Companies Act, 2013.



### **Meeting of Nomination and Remuneration Committee and Relevant Quorum**

The Nomination and Remuneration Committee shall meet at once a year. The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance. The Committee shall meet as and when required.

### **III. Stakeholders Relationship Committee**

Stakeholders Relationship Committee was constituted vide the Board meeting held on September 18, 2024. The members of the Stakeholders Relationship Committee as re-constituted on December 21, 2024 are:

<b>Directors</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Jaykishan Rathi	Non-Executive Independent Director	Chairman
Sweta Agarwal	Chairman & Managing Director	Member
Mahavir Prasad Hingar	Non-Executive Independent Director	Member

The Company Secretary shall act as the secretary to the audit committee.

The frequency of meetings of Stakeholders Relationship Committee is at least once in a year.

The role of the Stakeholders Relationship Committee shall be in accordance with Section 178 and all other applicable provision, if any, of the Companies Act, 2013 and the Companies (Meeting and Its Powers) Rules, 2014, and any other law for the time being enforce.

#### **The role of the Stakeholders Relationship Committee shall include the following:**

- i. resolving the grievances of the security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc;
- ii. review of measures taken for effective exercise of voting rights by shareholders;
- iii. review of adherence to the service standards adopted by the Company in respect of various services rendered by the registrar and share transfer agent;
- iv. review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- v. Formulate procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
- vi. approve, register, refuse to register transfer or transmission of shares and other securities;
- vii. sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
- viii. allotment and listing of shares;
- ix. authorise affixation of common seal of the Company;
- x. issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
- xi. approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
- xii. dematerialize or rematerialize the issued shares;
- xiii. ensure proper and timely attendance and redressal of investor queries and grievances;
- xiv. carry out any other functions contained in the Companies Act, 2013 (including Section 178) and/or equity listing agreements (if applicable), as and when amended from time to time; and
- xv. further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

### **Meeting of Stakeholders Relationship Committee and Relevant Quorum**

The Stakeholders Relationship Committee shall meet at once a year. The quorum for a meeting of the Stakeholder's Relationship Committee shall be two members present. The Committee shall meet as and when required.

#### IV. Corporate Social Responsibility Committee

Corporate Social Responsibility Committee was constituted vide the Board meeting held on September 18, 2024. The members of the Corporate Social Responsibility Committee as re-constituted on December 21, 2024 are:

Directors	Nature of Directorship	Designation in Committee
Jaykishan Rathi	Non-Executive Independent Director	Chairman
Narayanan Ananthakrishnan Iyer	Non-Executive Independent Director	Member
Sweta Agarwal	Non-Executive Director	Member

The role of the Corporate Social Responsibility Committee shall be in accordance with Section 135 and all other applicable provision, if any, of the Companies Act, 2013 along with the rules made thereunder, and any other law for the time being enforce.

#### The role of the Corporate Social Responsibility Committee shall include the following:

- i. formulate and recommend to the Board of Directors, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company;
- ii. recommend the amount of expenditure to be incurred by the Company for CSR;
- iii. monitor the Corporate Social Responsibility Policy of the Company from time to time; and
- iv. to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

#### Key Managerial Personnel (KMP) and Senior Management Personnel (SMP)

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel and Senior Management of our Company:

#### Details of our Senior Managerial Personnel:

**Rajesh Agarwal** aged 45 years, has been associated with our Company since 2016 and handling marketing operations of our Company. He has been designated as the Chief Operating Officer and Marketing Head of our Company with effect from April 1, 2024. He has completed final examination of the Institute of Chartered Accountants of India in the year 2002. He has around 2 decades of experience in Paper Stationery & Printing Industry. He was previously associated with Rupana Paper Mills Limited as Whole-time Director. Currently, he is Designated Partner in SR3 Residencies LLP and is also associated with our Group Company, Seagate Speciality Products Private Limited. He was paid Rs. 6,00,000 as salary in FY 2023-24.

**Abbas Presswala** aged 43 years, is the Promoter and Production Head of our Company with effect from April 1, 2024. He has over 2 decades of experience in field of Paper Stationery & Print Industry. He was previously associated with Omsai Prints Private Limited as Director & Designated Partner (previously known as 'Omsai Prints Firm') from 2012 to 2022. Prior to that, he operated a proprietorship concern Print Plus India from 2022 to 2011. His Paper & Print Industry connect and networking helps the Company bring in new clients. He was paid Rs. 36,00,000 as salary in FY 2023-24.

#### Details of our Key Management Personnel:

**Sweta Agarwal** aged 41 years, is the Promoter, Chairman and Managing Director of our Company. For detailed profile, see para, 'Brief Profile of our Directors' on page no. 174 of this Draft Red Herring Prospectus.

**Vipul Desai** aged 53 years, is the Chief Financial Officer of our Company with effect from June 01, 2024. He has completed Bachelor's Degree in Commerce from University of Bombay in the year 1992. He has also completed Chartered Financial Analyst Program from The Institute of Chartered Financial Analyst of India in 1997. He has around 3 decades of vast experience in varied field namely Finance, Management & Capital Market. He previously associated with Lila Investment Private Limited as Account Officer, Kensource Securities Private Limited as Equity Analyst, Speciality Papers Limited as CEO. Since 2008 he is associated with Saffron Speciality Papers Limited, firstly as Promoter & Director till 2011, then he sold the Company and was appointed as Financial Advisor at Company in professional capacity till August 2024. He is recently appointed; hence no salary was paid in FY 2023-24.

**Agrima Shah**, aged 32 years, is the Company Secretary and Compliance Officer of our Company with effect from January 15, 2025. She has completed Bachelor's Degree in Commerce from The IIS University. She is an Associate member of the Institute of Company Secretaries of India. She around 5 year of experience compliance and secretarial field. She was associated with Microse India Ltd and Autoriders Ltd in the past. She is recently appointed; hence no salary was paid in FY 2023-24.

**Monika Kankani** aged 35 years, is the Finance Executive of our Company with effect from April 1, 2024. She is a member of the Institute of Chartered Accountants of India. She holds Bachelor's Degree in Commerce from MDS University, Ajmer. She has about a decades of experience (including management trainee) in the field of finance, tax and audit. She was associated with Anand Rathi Commodities Limited as Deputy Manager, Destimoney Securities Private Limited as Manager. Later she started her own practice in the field of Tax & Audit from July 2017. She was paid Rs. 6,60,000 as salary in FY 2023-24.

**Other Confirmations:**

- i. Further, our Company has not entered into any service contracts, pursuant to which it's KMPs or SMPs are entitled to benefits upon termination of employment. Except statutory benefits upon termination of their employment in our Company or superannuation, no KMPs are entitled to any benefit upon termination of employment or superannuation.
- ii. None of our KMP or SMP has any interest in our Company except to the extent of:
  - a. their remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business
  - b. Equity Shares, if any, held by them and any dividend payable to them and other distributions in respect of such Equity Shares in future
  - c. Loans availed or extended by them from our Company or to our Company and/or Personal guarantees given by them in favour of our Company against the loans sanctioned to our Company from our lender. For further details please see, '*Financial Indebtedness*' on page no. 231 of this Draft Red Herring Prospectus.
- iii. There is no arrangement or understanding with major shareholders, customers, suppliers or any others pursuant to which any of the abovementioned KMPs or SMPs have been recruited as KMPs or SMPs.
- iv. All the KMPs and SMPs mentioned above are permanent employees of our Company and none of them are related to each other or to any Director of our Company except Rajesh Agarwal being related to Sweta Agarwal and Harshiel Agarwal as spouse and father respectively.
- v. As on the date of filing of this DRHP, our Company does not have a performance linked bonus or a profit-sharing plan with the KMPs or SMPs.
- vi. There is no contingent or deferred compensation payable to our KMPs or SMPs, which does not form part of their remuneration.
- vii. No non-salary-related payments or benefits have been made to our KMPs or SMPs based on targets achieved and general performance.
- viii. Attrition of KMPs and/or SMPs in the Company is not high as compared to the industry.

**Shareholding of Key Management Personnel and Senior Management Personnel**

Except as disclosed below, none of our KMPs and SMPs hold any Equity Shares in our Company as on date of the Draft Red Herring Prospectus.

Sr. No.	Name of Director	No. of Equity Shares held	% of Pre-Issue Equity Shares	% of Post-Issue Equity Shares
1.	Sweta Agarwal	69,03,180	52.08%	[•]
2.	Abbas Presswala	13,42,494	10.13%	[•]
3.	Vipul Desai	1,35,000	1.02%	[•]
4.	Monika Kankani	22,500	0.17%	[•]

**Employees**

As of December 31, 2024, we have 40 permanent employees on our payroll and have employed 50 employees on contract basis.

**Employee stock option and stock purchase schemes**

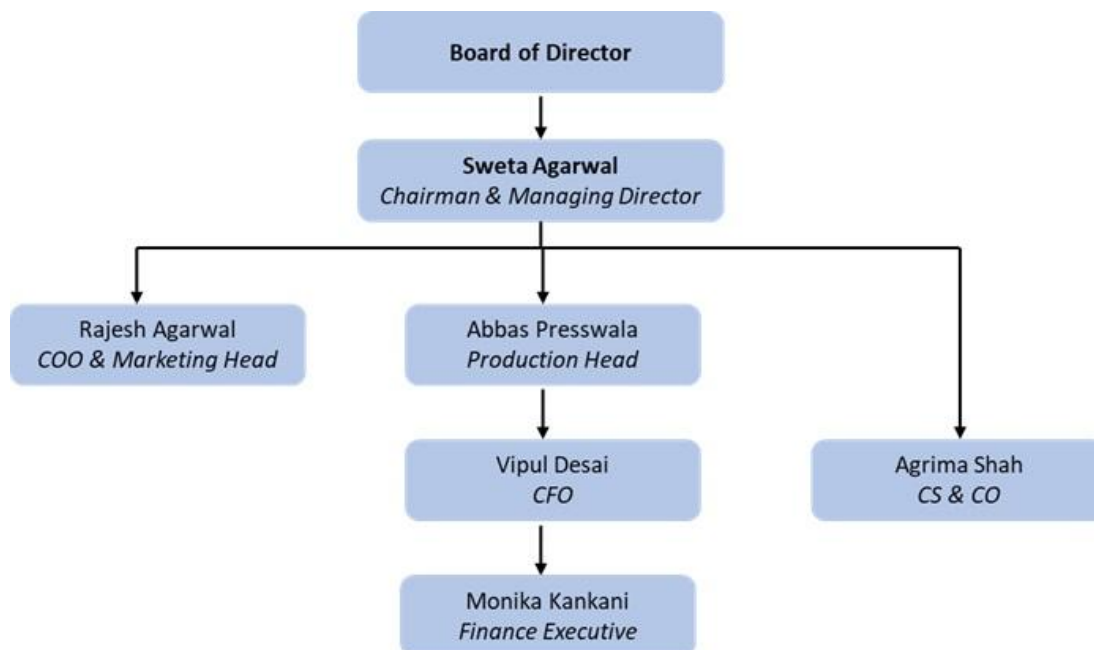
As on date of this Draft Red Herring Prospectus, our Company does not have any employee stock option and

stock purchase schemes.

### Payment or Benefit to Key Managerial Personnel of our Company

No amount or benefit has been paid or given to any officer of our Company within the 2 (two) years preceding the date of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment and mentioned in this Draft Red Herring Prospectus.

### Management Organizational Structure



CMD	Chairman & Managing Director
COO	Chief Operating Officer
CFO	Chief Financial Officer
CS & CO	Company Secretary & Compliance Officer

### Changes in the Key Managerial Personnel and Senior Managerial Personnel of our Company in the last 3 (three) years preceding the date of this Draft Red Herring Prospectus.

Sr. No.	Name	Designation	Reason	Date of Appointment / Change in designation
1.	Chandra Shekhar Bhandiya	Company Secretary & Compliance Officer	Resignation as Company Secretary & Compliance Officer	January 14, 2025
2.	Agrima Shah	Company Secretary & Compliance Officer	Appointment as Company Secretary & Compliance Officer	January 15, 2025
3.	Monika Kankani	Finance Executive	Change in designation to Finance Executive	April 1, 2024
4.	Rajesh Agarwal	Chief Operating Officer and Marketing Head	Change in designation to Chief Operating Officer and Marketing Head	April 1, 2024
5.	Vipul Desai	Chief Financial Officer	Appointment as Chief Financial Officer	June 01, 2024
6.	Chandra Shekhar Bhandiya	Company Secretary & Compliance Officer	Appointment as Company Secretary &	June 01, 2024

<b>Sr. No.</b>	<b>Name</b>	<b>Designation</b>	<b>Reason</b>	<b>Date of Appointment / Change in designation</b>
			Compliance Officer	
7.	Sweta Agarwal	Chairman & Managing Director	Change in designation to Chairman & Managing Director	June 12, 2024
8.	Abbas Presswala	Production Head	Change in Designation as Production Head	April 1, 2024



## OUR PROMOTERS AND PROMOTER GROUP


### OUR PROMOTERS

Sweta Agarwal, Harshiel Agarwal and Abbas Presswala are the Promoters of our Company.

As on the date of this Draft Red Herring Prospectus, our Promoters holds in aggregate of 1,17,59,868 Equity Shares representing 88.73% of the pre-issue paid-up capital of our Company. For details on shareholding of our promoters in our Company, see chapter titled “*Capital Structure*” on page no. 70 Draft Red Herring Prospectus.

**Brief profile of our individual promoters is as under:**

<p><b>Sweta Agarwal</b></p> 	<p><b>Sweta Agarwal</b> aged 41 years, is the Promoter, Chairman and Managing Director of our Company. She has been on the Board of Directors of our Company since November 20, 2021. She holds a Bachelor’s degree in Arts from University of Delhi. She is also Director of our Group Company, Seagate Speciality Products Private Limited since its incorporation. She is Head of Operations in our Company and has been managing the overall operations of the Company. She spearheaded the business diversification in 2021 into Commercial Printing segment, which contributes 32.52% of our Revenue from Operations in March 31, 2024. She has around 13 years of experience in Paper Stationery &amp; Printing Industry.</p>
<b>PAN</b>	ADYPA1009L
<b>Education Qualification</b>	Bachelor’s degree in Arts from University of Delhi
<b>Experience</b>	13 years of experience paper & printing industry
<b>Present Residential Address</b>	1103/04, Brookhill, Hiranandani Estate, Off Ghodbunder Road, Patlipada, Thane west, Thane 400607, Maharashtra
<b>Directorship held</b>	Seagate Speciality Products Private Limited
<b>Other Ventures</b>	1. Seagate Speciality Products Private Limited 2. Durga Devi Shivranyan Memorial Society
<p><b>Harshiel Agarwal</b></p> 	<p><b>Harshiel Agarwal</b> is a Non-Executive Director of our Company. He is a Board member of the Company since February 14, 2024. He has completed International Baccalaureate Diploma from Singapore International School and is currently pursuing Bachelor’s in Business Administration from Singapore International School. Being the third-generation in Paper Stationery &amp; Printing business, he has better understanding of the Industry and Market dynamics. He has recently joined the operations of the Company and assists in Sales &amp; Marketing.</p>
<b>PAN</b>	FKKPA8808P
<b>Education Qualification</b>	Pursuing Bachelor’s in Business Administration from Singapore International School
<b>Experience</b>	-
<b>Present Residential Address</b>	1103/04, Brookhill, Hiranandani Estate, Off Ghodbunder Road, Patlipada, Thane west, Thane 400607, Maharashtra
<b>Directorship held</b>	-
<b>Other Ventures</b>	-

<p><b>Abbas Presswala</b></p> 	<p><b>Abbas Presswala</b> aged 43 years, is the Promoter and Production Head of our Company with effect from April 1, 2024. He has over 2 decades of experience in field of Paper Stationery &amp; Print Industry. He was previously associated with Omsai Prints Private Limited as Director &amp; Designated Partner (previously known as ‘Omsai Prints Firm’) from 2012 to 2022. Prior to that, he operated a proprietorship concern Print Plus India from 2022 to 2011. His Paper &amp; Print Industry connect and networking helps the Company bring in new clients.</p>
<p><b>PAN</b></p>	<p>AIXPP1893K</p>
<p><b>Education Qualification</b></p>	<p>-</p>
<p><b>Experience</b></p>	<p>Over 2 decades of experience in Paper Stationery &amp; Print Industry</p>
<p><b>Present Residential Address</b></p>	<p>1601/C, Raheja Vistas, Raheja Vihar, Chandivali Farm House, Farm Road, Andheri East, Mumbai 400072</p>
<p><b>Directorship held</b></p>	<p>Omsai Prints Private Limited</p>
<p><b>Other Ventures</b></p>	<p>-</p>

### Declaration

We declare and confirm that the details of the permanent account numbers, bank account numbers, passport numbers, Aadhar card number and Driving License number of our Promoters are being submitted to the NSE, stock exchange on which the specified securities are proposed to be listed along with filing of this Draft Red Herring Prospectus with the Stock Exchange.

### Change in the Control or Management of the Issuer in Last Five Years

The management and control of the Company was taken over by Vikash Suresh Agrawal and his spouse Amisha Agarwal in January-February 2011 from the earlier Promoters. Subsequently, in March 2011, there was further capital infusion into the Company wherein current promoter, Sweta Agarwal (sister-in-law of Late Vikash Suresh Agrawal) infused minimal capital along with other shareholders and became member of our Company. Since then, Vikash Suresh Agarwal, Amisha Agarwal and Sweta Agarwal were actively involved in the operations of the Company. In 2022, Vikash Suresh Agarwal had transferred his entire holding to Rajesh Agarwal pursuant to a Gift Deed dated March 15, 2022 due to his critical health conditions. Subsequently, Vikas Suresh Agrawal succumbed to his health condition and passed away in June 2022. Further, in December 2023, Amisha Agarwal remarried and transferred her entire holding to her then nephew Harshiel Agarwal vide a gift deed dated December 07, 2023. Further, Abbas Presswala who was associated with the Company as dealer for supply of raw materials since January 2023 and later on upon acquiring 10.87% in March 2024 was introduced in the Company as Promoter. Currently, Sweta Agarwal, Harshiel Agarwal and Abbas Presswala are the promoters of the Company who collectively hold 88.73% of the pre-issue paid-up capital of the Company. For further details of our promoter please refer the chapter titled “*Our Promoters and Promoter Group*” beginning on page no. 186 of this Draft Red Herring Prospectus.

### Interest of our Promoters

Our Promoters do not have any interest in our Company except to the extent of compensation payable / paid, rents on properties owned by them or their relatives but used by our company, unsecured loans extended by them and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapters titled “*Capital Structure*”, “*Restated Financial Statements*” and “*Our Management*” beginning on page nos. 70, 194 and 173 of this Draft Red Herring Prospectus.

Except as stated otherwise in this Draft Red Herring Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company and development rights entered into by our Company other than in the

normal course of business. For further details, please see chapter titled “*Restated Financial Statements*” beginning on page no. 194 of this Draft Red Herring Prospectus.

Our Company is currently promoted by the Promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company. Our Promoters may also be deemed to be interested to the extent of Equity Shares held by them and their immediate relatives in our Company and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares in our Company. For details regarding the shareholding of our Promoters in our Company, see the chapter titled “*Capital Structure*” on page no. 70 of this Draft Red Herring Prospectus.

Further, other than as mentioned in the chapter titled “*Our Business*” beginning on page no. 135 of this Draft Red Herring Prospectus, our Promoters does not have any interest in any land or property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Our Promoters are not interested as member of a firm or company, and no sum has been paid or agreed to be paid to them or to such firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a director, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters who are also the Directors of our Company may be deemed to be interested to the extent of remuneration, commission and reimbursement of expenses payable to them as per the terms of his appointment, the Articles of Association of our Company and relevant provisions of Companies Act. For further information on our Promoter’ compensation and other details please refer to the chapter titled “*Our Management*” on page no. 173 of this Draft Red Herring Prospectus.

Except as mentioned in this chapter and chapters titled “*Our Business*”, “*History and Certain Corporate Matters*”, “*Our Management*” and “*Restated Financial Statements*” beginning on page nos. 135, 168, 173 and 194, respectively, our Promoters do not have any other interest in our Company.

**Payment or benefits to Promoters or Promoter Group**

Except as disclosed in the “*Restated Financial Information*” on page no. 194 of this Draft Red Herring Prospectus, there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or any members of the Promoter Group as on the date of this Draft Red Herring Prospectus.

**Companies or firms with which our Promoters have disassociated in the last three years**

Except as stated below, our Promoters have not dissociated themselves from any companies or firms in the three years preceding the date of this Draft Red Herring Prospectus:

Promoter	Name of the Company/ Firm	Reasons for and circumstances leading to dissociation	Date of dissociation
Abbas Presswala	Omsai Prints Private Limited	Pursue other professional endeavors	December 10, 2022

**Material guarantees**

As on the date of this Draft Red Herring Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares.



## Promoter Group

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

A. Natural persons who are part of the Promoter Group:

The natural persons who are part of the Promoter Group, other than our Individual Promoters, are as follows:

Name of the Promoters	Relationship with the Promoter	Name of the Relative
Sweta Agarwal	Father	Late Hemant Agarwal
	Mother	Saroja Devi Agarwal
	Spouse	Rajesh Agarwal
	Brothers	Samar Aggarwal and Piyush Rajgaria
	Sister	-
	Son	Harshiel Agarwal
	Daughter	Amaaya Agarwal
	Spouse's Father	Suresh Agarwal
	Spouse's Mother	Puspa Agarwal
	Spouse's Brother	Late Vikas Suresh Agarwal
Spouse's Sister	-	
Harshiel Agarwal	Father	Rajesh Agarwal
	Mother	Sweta Agarwal
	Spouse	-
	Brother	-
	Sister	Amaaya Agarwal
	Son	-
	Daughter	-
	Spouse's Father	-
	Spouse's Mother	-
	Spouse's Brother	-
Spouse's Sister	-	
Abbas Presswala	Father	Late Jafferhussain Presswala
	Mother	Late Mujiba Jafferhussain Presswala
	Spouse	Zainab Abbas Presswala
	Brother	Quaresh Presswala
	Sister	-
	Son	Burhanuddin Abbas Presswala
	Daughter	Sakina Abbas Presswala
	Spouse's Father	Akil Esmail Badami
	Spouse's Mother	Mubina Akil Badami
	Spouse's Brother	-
Spouse's Sister	Sakina Akil Badami	

B. Companies / Corporate Entities Forming Part of the Promoter Group:

As per Regulation 2(1)(pp)(iv) of the SEBI ICDR Regulations, the following Companies/ Trusts/ Partnership firms/ HUFs or Sole Proprietorships are forming part of our Promoter Group:

Sr. No.	Name of Promoter Group Entity/ Company
1.	Seagate Speciality Products Private Limited
2.	SRS Panchrattan Diamonds Private Limited
3.	Sring Tremix Private Limited
4.	Rajashree Sales Private Limited
5.	Jamuna Commercial Private Limited
6.	SR3 Residencies LLP
7.	Durga Devi Shivnarayan Memorial Society
8.	Shyam Udyog

## **Outstanding Litigations**

There is no other outstanding litigation against our Promoters except as disclosed in the section titled “*Risk Factors*” and chapter titled “*Outstanding Litigations and Material Developments*” beginning on page nos. 27 and 252 respectively of this Draft Red Herring Prospectus.

## GROUP COMPANY

In accordance with the SEBI ICDR Regulations, the term “group companies”, includes (i) such companies (other than the Corporate Promoter and the Subsidiaries) with which there were related party transactions during the period for which financial information is disclosed in this Draft Red Herring Prospectus, as covered under applicable accounting standards; and (ii) any other companies considered material by the Board of Directors of our Company. Accordingly, all such companies (other than our Corporate Promoter and Subsidiaries) with which our Company had related party transactions as covered under the relevant accounting standard (i.e., Ind AS 24), as per the Restated Financial Information, have been considered as Group Companies in terms of the SEBI ICDR Regulations.

In addition, pursuant to the Materiality Policy, for the purposes of (ii) above, a company (other than our Corporate Promoter, Subsidiaries and companies categorized under (i) above) has been considered “material” and has been disclosed as a ‘Group Company’ in this Draft Red Herring Prospectus if, the Company is forming part of the related party transaction in accordance with Accounting Standard 18 (AS18) issued by ICAI, as disclosed in the Restated Financial Statement.

Based on the above, details of our Group Companies is set forth below:

### 1. Seagate Speciality Products Private Limited

#### **Details of Group Company**

##### *Seagate Speciality Products Private Limited*

##### Corporate Information

Seagate Speciality Products Private Limited was originally incorporated as “Sapphire Pulp & Papers Private Limited” at Mumbai as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated November 14, 2011, issued by the RoC, Maharashtra, Mumbai. The name of the Company was changed to “Seagate Speciality Products Private Limited” under the provisions of the Companies Act, 2013 vide fresh certificate of Incorporation dated August 26, 2021. The registered office of the company is situated at Office No. B 205, 2nd Floor, Cello Triumph, I.B. Patel Road, Goregaon East, Mumbai - 400063. The Corporate Identification Number of the company U74120MH2011PTC223885.

Seagate Speciality Products Private Limited is engaged in the business of trading of paper & paper related products and stationery items.

##### Financial Information

In accordance with the SEBI ICDR Regulations, information with respect to: (i) reserves (excluding revaluation reserves), (ii) sales, (iii) profit after tax, (iv) earnings per share, (v) diluted earnings per share and (vi) net asset value, derived from the respective audited financial statements of our Group Company for the last three financial years shall be hosted on our website at <https://saffronindia.net/pdf/group-company-financials.pdf>.

None of our Company, the BRLM or any of the Company’s or the BRLM respective directors, employees, affiliates, associates, advisors, agents or representatives have verified the information available on the websites indicated above.

#### **Nature and extent of interest of Group Companies**

##### *In the promotion of our Company*

Our Group Company do not have any interest in the promotion or formation of our Company.

##### *In the properties acquired by our Company in the past three years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company*

Our Group Company is not interested in the properties acquired by our Company in the three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

### **In transactions for acquisition of land, construction of building and supply of machinery, etc.**

Our Group Company is not interested in any transactions for acquisition of land, construction of building or supply of machinery, etc. entered into by our Company.

### **Common pursuits of our Group Companies**

As on the date of this Draft Red Herring Prospectus, our Group Company is currently not engaged in a similar line of business as ours. However, the objects of the Seagate Speciality Products Private Limited allows it to carry the business of manufacturer and trader of paper & board including writing paper, printing paper etc. which can be construed as similar line of business as of our Company. Hence it may operate in similar line of business as our Company's in terms with its Memorandum of Association. The main objects of the Seagate Speciality Products Private Limited allows it to carry the business of manufacturer and trader of paper & board including writing paper, printing paper etc. which can be construed as similar line of business as of our Company.

Our Company and our Group Company will adopt the necessary procedures and practices as permitted by law to address any conflict-of-interest situation as and when they arise. For further details, see “*Risk Factors*” on page no. 27 of this Draft Red Herring Prospectus.

### **Related business transactions within our Group Companies and significance on the financial performance of our Company**

Except the transactions disclosed in “*Restated Financial Information – Notes to Restated Financial Information, Note 22, Related parties transactions*” on page no. 219 of this Draft Red Herring Prospectus and business transactions which our Company and our Group Company have entered into as part of normal/ ordinary course of business including inter corporate loans, there are no other related business transactions entered into with the Group Company.

### **Litigation**

As on date of this Draft Red Herring Prospectus, there are no litigation proceedings involving our Group Companies which may have a material impact on our Company.

### **Business interest of Group Companies**

Except in the normal/ ordinary course of business including inter corporate loans and as stated in “*Restated Financial Information – Notes to Restated Financial Information, Note 22, Related parties transactions*” on page no. 219 of this Draft Red Herring Prospectus, our Group Company do not have any business interest in our Company.

### **Confirmations**

Securities of our Group Company are not listed on any stock exchange. Further, our Group Companies have not made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Red Herring Prospectus.

## **DIVIDEND POLICY**

Our Company does not have any formal dividend policy for the equity shares. Our Company can pay Final dividends upon a recommendation by Board of Directors and approval by majority of the members at the Annual General Meeting subject to the provisions of the Articles of Association and the Companies Act, 2013. The Members of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The Articles of Association of our Company also gives the discretion to Board of Directors to declare and pay interim dividends.

The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013. The declaration and payment of dividend will depend on a number of factors, including but not limited to the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions, contractual obligations and restrictions, restrictive covenants under the loan and other financing arrangements to finance the various projects of our Company and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares for the period covered in Restatement of Accounts as per our Restated Financial Statements.

## SECTION VII – FINANCIAL INFORMATION

### RESTATED FINANCIAL STATEMENTS

To,  
**The Board of Directors,**  
**Saffron Speciality Papers Limited**  
**(Formerly known as Saffron Speciality Papers Private Limited)**  
Survey No. 53, Hissa 29, 75/2 and 77/5 Village Aamne,  
Near Indian Petrol Pump, Taluka Bhiwandi,  
Maharashtra, India 421302.

Dear Sirs,

1. We have examined the attached Restated Audited Financial Information of Saffron Speciality Papers Limited (Formerly Known as Saffron Speciality Papers Pvt. Ltd) (the “Company”) comprising of the Restated Audited Statement of Assets and Liabilities as at August 31, 2024, March 31, 2024, March 31, 2023, March 31, 2022, the Restated Audited Statement of Profit & Loss and the Restated Audited Statement of Cash Flow for the period ended on August 31, 2024 and the financial year ended March 31, 2024, March 31, 2023, March 31, 2022, the Summary Statement of Accounting Policies and other explanatory information (collectively the “Restated Financial Statement”) as approved by the Board of Directors of the Company at their meeting held on January 16, 2025 in connection with the Initial Public Offering (IPO) in SME Platform of BSE Limited.
2. These Restated Financial Statement have been prepared in accordance with the requirements of:
  - a. Section 26 of Part I of Chapter III to the companies Act, 2013 (“Act”) read with companies (Prospectus and Allotment of Securities) Rules 2014;
  - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018 (“ICDR Regulations”) and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India (“SEBI”); and
  - c. The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India as amended from time to time (“Guidance Note”).
3. We have examined the accompanied ‘Restated Statement of Profit and Loss’ (Annexure – II) for the period ended August 31, 2024 and for the financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022, the ‘Restated Statement of Assets and Liabilities’ (Annexure-I) as on above dates and ‘Restated Financial Statement of Cash Flows’ (Annexure-III) 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 and Notes to Accounts (Annexure – IV & XIII) thereon. The Restated Financial Information has been prepared by Company’s management. The information has been extracted from the financial statements for the period ended August 31, 2024 and financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022. The Financial Statements for the period ended on August 31, 2024 is audited by us, which was approved by the Board of Directors as on January 4, 2025, and upon which we have placed our reliance while reporting. We have re- audited the financial statement for the financial year 2023-24 as per the generally accepted accounting principles in India as the previous statutory auditor did not hold peer-review certificate. The Financial Statement for the year ended March 31, 2024, March 31, 2023 & March 31, 2022 were audited by M/s Krshna and Associates, Chartered Accountants, being the then Statutory Auditor of the Company, which were approved by the Board of Directors as on September 05, 2024, September 05, 2023 and September 05, 2022 respectively and upon which we have placed our reliance while reporting.
4. The “Restated Financial Statement of Assets and Liabilities” as set out in Annexure I, “Restated Financial Statement of Profit and Loss” as set out in Annexure II and “Restated Financial Statement of Cash Flows” as set out in Annexure III to this report, of the Company as at August 31, 2024, 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 Statement have been compiled by the management from Audited Financial Statements of the Company for the period/year ended on August 31, 2024, March 31, 2024, March 31, 2023, March 31, 2022 prepared in accordance with Accounting Standard 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, which has been approved by the Board of Directors.

5. We have examined such Restated Financial Statement taking into consideration:
  - a. terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter in connection with the proposed IPO of the Company;
  - b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statement; and
  - d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
6. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information have been prepared:
  - a. after incorporating adjustments for the changes in accounting policies and regrouping/reclassifications retrospectively, if any in the financial years/period ended August 31, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications; and
  - b. In accordance with the Act, ICDR Regulations and the Guidance Note.
7. We have also examined the following Notes to the Restated financial information of the Company set out in the Annexure, prepared by the management and approved by the Board of Directors on 16 Jan 2025, for the years/period ended August 31, 2024, March 31, 2024, March 31, 2023, and March 31, 2022.

**Annexure of Restated Financial statements of the Company:**

1. Restated statement of assets and liabilities in Annexure-I.
  2. Restated statement of profit and loss in Annexure-II.
  3. Restated statement of cash flows in Annexure -II.
  4. Significant accounting policies and other information as restated in the Note 1 and 2.
  5. Restated notes to statement of assets and liabilities and profit and loss from Annexure IV Note 3 to 23 and Annexure V to Annexure XII.
  6. Details of Related Parties Transactions as Restated as appearing in Annexure IV Note-23 to this report.
  7. Restated profit and equity as appearing in Annexure X to this report.
  8. Statement of tax shelters as restated appearing in XII.
  9. Details of Terms & Condition of borrowings as restated as appearing in Annexure V.
  10. Details of Summary of 'Other Financial Information' as Restated as appearing in Annexure VIII.
  11. Capitalization Statement as Restated as of 31 August 2024 as appearing in Annexure V.
  12. Details of Summary of Accounting Ratios Schedule as Restated as appearing in Annexure IX.
  13. Basis of preparation and Significant accounting policies in Annexure XIII.
8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
  9. We, M/s SKVM & Company, Chartered Accountants have been subjected to the peer review process of the Institute of the Chartered Accountant of India ("ICAI") and hold a valid peer review certificate issued by the "peer Review Board" of the ICAI.
  10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Audited Financial Statements mentioned in paragraph 5 above.
  11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
  12. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Offer Document/ Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Delhi 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.

13. In our opinion, the above financial information contained mentioned in the attached Annexure of this report read with the respective Significant Accounting Policies and Notes to Accounts are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.

Yours faithfully,

For **SKVM and Company**,  
Chartered Accountants  
Firm's Registration No.: 121035W

Sachin Shrinivas Bhattad  
Partner  
Membership No. 109485  
UDIN: 25109485BMJPIE4701  
Date: January 16, 2025  
Place: Thane



**STATEMENT OF ASSETS & LIABILITIES, AS RESTATED**

(All amounts are in Indian Rupees Lakhs)

Particulars	Annexures	Note No.	As at			
			August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>EQUITY AND LIABILITIES</b>						
<b>Shareholder's Fund</b>						
Share Capital	IV	3	1,234.49	1,234.49	115.75	115.75
Reserves and surplus	IV	4	1,111.91	535.48	970.07	973.87
<b>Total shareholder's funds</b>			<b>2,346.39</b>	<b>1,769.97</b>	<b>1,085.82</b>	<b>1,089.61</b>
Share application money pending allotment			309.00	-	-	-
<b>Total Equity</b>			<b>2,655.39</b>	<b>1,769.97</b>	<b>1,085.82</b>	<b>1,089.61</b>
<b>LIABILITIES</b>						
<b>Non-current Liabilities</b>						
Long-term borrowings	V	-	7,017.96	6,511.73	4,041.75	2,512.40
Long-term provisions	IV	5	16.79	14.68	10.44	8.32
Deferred Tax liabilities (Net)	IV	10	-	-	-	-
<b>Total Non-current Liabilities</b>			<b>7,034.75</b>	<b>6,526.41</b>	<b>4,052.20</b>	<b>2,520.71</b>
<b>Current Liabilities</b>						
Short-term borrowings	V		4,236.82	2,502.16	1,501.15	1,630.76
Trade payables:	IV	7				
Total outstanding dues of micro and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small	-	-	1,385.90	1094.72	969.79	737.4
Other current liabilities	IV	8	44.22	117.19	39.46	11.06
Short-term provisions	IV	6	306.79	123.65	26.65	30.02
<b>Total Current Liabilities</b>			<b>5,973.74</b>	<b>3,837.72</b>	<b>2,537.05</b>	<b>2,409.24</b>
<b>Total Liabilities</b>			<b>13,008.49</b>	<b>10,364.14</b>	<b>6,589.24</b>	<b>4,929.96</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>15,663.88</b>	<b>12,134.11</b>	<b>7,675.06</b>	<b>6,019.57</b>
<b>ASSETS</b>						
<b>Non-current Assets</b>						
Property, plant and equipment	IV	9	2871.33	2,597.21	2,485.23	167.04
Capital Work-in-progress	IV	9(1)	2258.74	336.57	-	1,619.54
Deferred tax assets (net)	IV	10	13.28	11.33	9.16	8.4
Investments	IV		290.55	168.00	228.43	185.64
<b>Total Non-current Assets</b>			<b>5,433.90</b>	<b>3,113.11</b>	<b>2,722.82</b>	<b>1,980.62</b>
<b>Current Assets</b>						
Inventories	IV	13(a)	3,092.20	3,443.48	2,319.33	2,507.52
Trade receivables	VII	-	5,974.71	4,754.72	1,836.69	977.8

Particulars	Annexures	Note No.	As at			
			August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Cash and cash equivalents	IV	11	95.44	123.6	226.52	98.35
Short term loans and advances	IV	12	1,067.63	462.11	327.88	455.2
Other current assets	IV	13	-	237.10	241.82	-
<b>Total current assets</b>			<b>10,229.98</b>	<b>9,021.00</b>	<b>4,952.26</b>	<b>4,038.94</b>
<b>TOTAL ASSETS</b>			<b>15,663.88</b>	<b>12,134.11</b>	<b>7,675.06</b>	<b>6,019.57</b>

*Note: The above statement should be read with basis of preparation, significant accounting policies and notes forming part of the Restated Financial Information appearing in various Annexures. The notes are an integral part of these restated financial information.*

As per our report of even date attached.

**Chartered Accountants**  
**Firm Registration No: 122950W**  
**Peer Review Certificate No:**

**For and on Behalf of the Board of Directors**  
**Saffron Speciality Papers Limited**

Sachin Shrinivas Bhattad  
Partner  
Membership No. 109485  
UDIN: 25109485BMJPIE4701  
Date: January 16, 2025  
Place: Thane

**Sweta Agarwal**  
Chairman & Managing  
Director  
DIN: 05102406

**Amisha Agarwal**  
Whole-time Director  
DIN: 03356275

**Vipul Desai**  
Chief Financial Officer

**Agrima Shah**  
Company Secretary &  
Compliance Officer

**STATEMENT OF PROFIT & LOSS, AS RESTATED**

*(All amounts are in Indian Rupees Lakhs)*

Particulars	Annexures	Note No.	For the period / year ended			
			August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>INCOME</b>						
Revenue from operations	IV	14	9,641.04	19,054.60	13,158.43	11,979.82
Other Income	IV	15	10.56	35.54	98.91	58.38
<b>Total Income</b>			<b>9,651.60</b>	<b>19,090.15</b>	<b>13,257.33</b>	<b>12,038.20</b>
<b>EXPENSES</b>						
Consumption of Raw Material	IV	16(a)	6,366.35	15,023.73	10,995.07	12,220.80
Changes in Inventory	IV	16(b)	351.28	(1,124.15)	188.19	(1,544.80)
Employee benefits expense	IV	17	399.93	813.28	365.39	222.40
Finance costs	IV	18	263.88	707.90	284.06	167.66
Depreciation and amortization expense	IV	9	182.23	305.04	235.76	33.18
Other expenses	IV	19	1,335.37	2,602.66	1,199.69	844.48
<b>Total Expenses</b>			<b>8,899.03</b>	<b>18,328.46</b>	<b>13,268.16</b>	<b>11,943.71</b>
<b>Profit before tax</b>			<b>752.56</b>	<b>761.69</b>	<b>(10.83)</b>	<b>94.49</b>
<b>Tax expenses</b>						
Current tax			189.42	191.72	-	23.00
Deferred tax credit/(charge)	IV	10	(13.28)	(11.33)	(9.16)	(8.40)
Total Tax expenses			176.14	180.38	(9.16)	14.60
<b>Net profit for the period/ year after tax</b>			<b>576.43</b>	<b>581.30</b>	<b>(1.66)</b>	<b>79.89</b>
<b>Earnings per equity share:</b>						
Basic and diluted earnings per share (In Rs)	IV	20	4.67	4.71	(0.02)	0.77
(Nominal value of share Rs.10 each)						

**Chartered Accountants**  
**Firm Registration No: 122950W**  
**Peer Review Certificate No:**

**For and on Behalf of the Board of Directors**  
**Saffron Speciality Papers Limited**

Sachin Shrinivas Bhattad  
 Partner  
 Membership No. 109485  
 UDIN: 25109485BMJPIE4701  
 Date: January 16, 2025  
 Place: Thane

**Sweta Agarwal**  
 Chairman & Managing  
 Director  
 DIN: 05102406

**Amisha Agarwal**  
 Whole-time Director  
 DIN: 03356275

**Vipul Desai**  
 Chief Financial Officer

**Agrima Shah**  
 Company Secretary &  
 Compliance Officer

**STATEMENT OF CASH FLOW, AS RESTATED**

*(All amounts are in Indian Rupees Lakhs)*

Particulars	For the period / year ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Cash flows from Operating Activities</b>				
Net profit before tax and extraordinary items	752.56	761.69	-10.83	94.49
Adjustments :				
Depreciation and amortization	182.23	305.04	235.76	33.18
Interest income	(0.98)	(11.50)	(10.78)	(7.18)
Interest expense	263.88	707.90	284.06	167.66
Income tax liabilities of previous year paid	134.95	(28.34)	22.24	(236.23)
<b>Operating Profit before working capital changes</b>	<b>1,332.64</b>	<b>1,734.79</b>	<b>520.46</b>	<b>51.91</b>
Movements in working capital :				
Decrease/ (Increase) in Inventories	351.28	(1,124.15)	188.19	(1,544.81)
Decrease/ (Increase) in Trade Receivables	(1,219.99)	(2,918.03)	(858.89)	368.83
Decrease/ (Increase) in Other Current Assets	237.10	4.72	(241.82)	(1,270.58)
(Decrease) / Increase in Trade Payables	291.18	124.93	232.39	2.21
(Decrease) / Increase in Other Current Liabilities	(72.97)	77.73	28.39	5.56
Decrease / (Increase) in Short Term loans & Adv.	(605.52)	(134.23)	(127.32)	486.61
(Decrease) / Increase in Short Term Borrowings	1,734.67	1,001.01	(129.61)	-
(Decrease) / Increase in Short Term Provisions	183.14	97.00	(3.37)	8.30
<b>Working Capital changes</b>	<b>898.89</b>	<b>(2,871.01)</b>	<b>(912.04)</b>	<b>(1,943.88)</b>
<b>Cash generated from Operations</b>	<b>2,231.53</b>	<b>(1,136.23)</b>	<b>(391.58)</b>	<b>(1,891.97)</b>
<b>Net cash flows from Operating Activities (A)</b>	<b>2,231.53</b>	<b>(1,136.23)</b>	<b>(391.58)</b>	<b>(1,891.97)</b>
<b>Cash flows from Investing Activities</b>				
Purchase of property, plant and equipment (net of sale)	(456.34)	(417.03)	(557.03)	(6.82)
Other tangible Asset & capital work-in-progress	(1,922.18)	(336.57)	-	-
Non-Current Investment	(122.55)	60.43	-	-
Deferred Tax (Asset) / Liability	(1.95)	(2.17)	8.40	-
Interest Received	0.98	11.50	-	7.13
Sale of Investment	-	-	(42.79)	(81.67)
<b>Net cash used in Investing Activities (B)</b>	<b>(2,502.04)</b>	<b>(683.82)</b>	<b>(591.41)</b>	<b>(81.37)</b>
<b>Cash flows from financing activities</b>				

Particulars	For the period / year ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Proceeds / (repayment) from long term borrowings (net)	506.23	2,425.03	1,444.69	2,029.13
Proceeds from issue of share capital on premium	-	-	(40.70)	-
Interest paid	(263.88)	(707.90)	(292.83)	(167.66)
<b>Net cash from Financing Activities (C)</b>	<b>242.35</b>	<b>1,717.14</b>	<b>1,111.17</b>	<b>1,861.47</b>
Net Increase / (decrease) in cash and cash equivalents (A+B+C)	(28.16)	(102.92)	128.18	(111.86)
Cash and cash equivalents at beginning of the year/period	123.60	226.52	98.35	210.22
<b>Cash and cash equivalents at the end of the year</b>	<b>95.44</b>	<b>123.60</b>	<b>226.52</b>	<b>98.35</b>
<b>Components of Cash and Cash Equivalents</b>				
Balance with banks in current accounts	91.50	123.57	224.23	20.60
Cash in hand as certified by management	3.94	0.03	2.29	77.75
<b>Total Cash and Cash Equivalents</b>	<b>95.44</b>	<b>123.60</b>	<b>226.52</b>	<b>98.35</b>

Notes:

1. The above Cash flow Statement has been prepared under the "Indirect Method" as set out in AS 3, "Cash Flow Statement".
2. Figures in brackets represent out flow of Cash and cash equivalents.
3. The above statement should be read with basis of preparation, significant accounting policies and notes forming part of the proforma Restated Financial Information appearing in various Annexures.

**Chartered Accountants**  
**Firm Registration No: 122950W**  
**Peer Review Certificate No:**

**For and on Behalf of the Board of Directors**  
**Saffron Speciality Papers Limited**

Sachin Shrinivas Bhattad  
Partner  
Membership No. 109485  
UDIN: 25109485BMJPIE4701  
Date: January 16, 2025  
Place: Thane

**Sweta Agarwal**  
Chairman & Managing  
Director  
DIN: 05102406

**Amisha Agarwal**  
Whole-time Director  
DIN: 03356275

**Vipul Desai**  
Chief Financial Officer

**Agrima Shah**  
Company Secretary &  
Compliance Officer

## **1. Restated Corporate Information & Significant Accounting Policies**

### **Annexure XIII**

#### **Corporate Information**

Our Company was originally incorporated in the name & style 'Albatross Speciality Papers Private Limited' as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated April 15, 2008 issued by the Assistant Registrar of Companies, Maharashtra, Mumbai. The Corporate Identification Number of our company is U51396MH2008PTC181181. Thereafter, under the control of new promoters and management, pursuant to special resolution passed by the shareholders of our Company at the extraordinary general meeting held on January 18, 2011 at shorter notice, the name of our Company was changed to 'Saffron Speciality Papers Private Limited' and a fresh certificate of incorporation pursuant to change of name was issued by Registrar of Companies on January 28, 2011. Subsequently the Company was converted from Private Limited to 'Public Limited on September 17, 2024.

We are manufacturer and exporter of Printed Paper Stationery and Back-to-School Paper Stationery, serving clients domestically as well as outside India. We specialize in highly customized mass-produced Back-to-School Paper Stationery and Printed Paper Stationery products with various finishing, embellishments, and binding options. Our Company also provides commercial printing services to various customers including corporate clients, banks, government department/ organizations, trusts, etc. We have over a one and a half decade of experience in printed Paper Stationery products and a complete in-house production facility, where we also manufacture a wide range of paper stationery products for banks, corporates/ trusts and schools.

#### **Restated Corporate Information & Significant Accounting Policies**

##### **a. Basis of Preparation of Financials Statements:**

The restated financial statements of the Company comprises of the Balance Sheet as at August 31, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, the statement of profit and loss (including other comprehensive income), the statement of cash flows, the statement of changes in equity for the period ended August 31, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 and the significant accounting policies and explanatory notes (collectively, the 'financial statements' or 'statements').

The accounting policies have been consistently applied by the Company in the preparation of the financial statements. These financial statements have been prepared for the Company as a going concern on the basis of relevant Indian GAAP that are effective as at August 31, 2024.

The Financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and presentation Requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as Applicable to the financial statements. For all periods up to and including the year ended August 31, 2024, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards Notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

##### **b. Functional and Presentation Currency:**

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs with two decimals, except when otherwise indicated.

##### **c. Use of Estimates and critical accounting judgements:**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

**d. Revenue recognition:**

All income and expenses to the extent considered recoverable/ payable with reasonable certainty are accounted for on accrual basis. Interest earned/ accrued is recognized on a time proportion basis taking into account outstanding and applicable interest rate. Interest income is included under the head "other income" in the statement of Profit and Loss. Profit/Loss on sale of fixed assets are recorded on transfer of title from the company and is computed on the basis of difference between net sale consideration and the written down value of asset.

**e. Cash and cash Equivalent:**

Cash comprise cash in hand and demand deposits with banks. Cash equivalent are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**f. Property Plant & Equipment and Intangible Assets:**

- a. Property, plant and equipment, capital work in progress are stated cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition to the extent use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.
- b. All other expenses on existing plant, property and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred. Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.
- c. During FY 21-22, a head of cost, referred to as "Capital Working Process," was incurred. This cost should have been capitalized in FY 22-23 but was not. Consequently, we have retrospectively capitalized this cost in the restated financials, along with the corresponding effect on depreciation and other necessary adjustments.

**g. Depreciation/ Impairment of Assets:**

Depreciation on property, plant and equipment including stores and spares transferred from inventory is calculated on a written down value basis using the rates arrived at, based on the useful lives estimated by the management, which are equal to the lives prescribed under Schedule II to the Companies Act, 2013.

Depreciation on the amount of adjustment to property, plant and equipment on account of capitalization of insurance spares and critical spares transferred from stores and spares is provided over the remaining useful lives of related assets.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year adjusted prospectively, if appropriate. To calculate depreciation on Fixed Assets, Tangible and Intangible, in a manner that amortizes cost of the assets is provided on the basis of written down value method at the rates on the basis prescribed in Part C of the schedule II of the Companies Act, 2013.

**h. Impairment of assets:**

At each balance sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the statement of profit and loss to the extent the carrying amount exceeds the recoverable amount.

**i. Inventory:**

Company value its inventory on Cost of Net Realizable Value, whichever is lower. Cost of inventories comprises of purchase cost and cost incurred in bringing inventories to their present location and condition

**j. Taxes on Income:**

Income taxes are accounted for in accordance with Accounting Standard 22 on Accounting for Taxes on Income. Tax expense comprises of both current and deferred tax. Deferred tax assets and liabilities are recognized, subject to consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income, that originate in one period capable of reversal in one or more subsequent periods and are measured using tax rates enacted or substantively enacted as at the Sheet date. The carrying amount of deferred tax assets and liabilities are reviewed at each Balance Sheet date. Deferred Tax Asset o forward losses and unabsorbed depreciation, if any, are recognized when it is virtually certain that there will be future taxable profit.

**k. Employee Benefits:**

**Short Term Employee Benefits:**

(i) Short term employee benefits are recognized as an expense at the undiscounted amount in the Profit and loss account of the period in which the related services is rendered.

**Long Term Employee Benefits:**

(ii) Long Term Employee benefits are recognized as and expenses as per the valuation of Actuarial and other Professional for the Period in which such expenses are related.

**l. Provisions & Contingencies:**

A provision is recognized when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are disclosed in the notes. Contingent assets are not recognized or disclosed in the Financial Statements.

**m. Borrowing Costs:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**n. Investments:**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which investments are made , are classified as current investments. All other investments are classified as long term investments. Long-term investments are stated at cost, less provision for other than temporary diminution in the carrying value of each investment. Current investments are stated at the lower of cost and fair value.

**o. Earnings per share:**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares except where the result would be anti-dilutive.



**p. Foreign Currency Transactions:**

Foreign Currency Transactions are recorded at the exchange rate prevailing on the date of transaction. All monetary foreign currency assets/liabilities are translated at the rates prevailing on the date of balance sheet. The exchange difference between the rates prevailing on the date of transaction and on the date of settlement as also on translation of monetary items at the end of the period is recognized as income or expense, as the case may be.

**q. Revaluation of Assets:**

As and when Fixed Assets are revalued, to adjust the provision for depreciation on such revalued Fixed Assets, where applicable, in order to make allowance for consequent additional diminution in value on considerations of age, condition and unexpired useful life of such Fixed Assets.

**Annexure IV**

**3. Equity Share Capital, as restated**

*(All amounts are in Indian Rupees Lakhs)*

Particulars	As at			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Authorized:</b>				
<b>Equity Share Capital</b>				
(2024: 15,000) (2023: 1,510; 2022: 1,510) equity shares of Rs. 10 each	1,500.00	1,500.00	151.00	151.00
<b>Total</b>	<b>1,500.00</b>	<b>1,500.00</b>	<b>151.00</b>	<b>151.00</b>
<b>Issued, subscribed and fully paid-up:</b>				
<b>Equity Share Capital</b>				
(2024: 12,344.87) (2023: 1,157.49; 2022: 1,157.49) equity shares of Rs. 10 each	1,234.49	1,234.49	115.75	115.75
<b>Total</b>	<b>1,234.49</b>	<b>1,234.49</b>	<b>115.75</b>	<b>115.75</b>

**3.1 Reconciliation of the shares outstanding at the beginning and at the end of the year**

Particulars	As at							
	August 31, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
<b>Equity share capital</b>								
At the beginning of the year	12344868	1,234.49	12344868	1,234.49	1157486	115.75	1157486	115.75
<b>At the end of the year</b>	<b>12344868</b>	<b>1,234.49</b>	<b>12344868</b>	<b>1,234.49</b>	<b>1157486</b>	<b>115.75</b>	<b>1157486</b>	<b>115.75</b>

**3.2 Terms/ Rights attached to Equity Shares**

The Holding Company has only one class of equity shares having par value of Rs. 10/- per share. Each equity share holder is entitled for one vote per share. Dividend, if declared and paid, will be in Indian rupees and shall be subject to the approval of shareholders in the ensuing Annual General Meeting.

The Company has not declared any dividend during the year ended March 31, 2022, March 31, 2023 and ended March 31, 2024.

In the event of liquidation of the Company, the holder of equity shares shall be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion of the number of fully paid equity shares held by each shareholder.

### 3.3 Details of Equity shares issued through Private Placement and Bonus Shares

During the year ended 31st March 2024, the company allotted 10,97,32,16 bonus shares of face value of Rs. 10/- each. The bonus issue of share has been made in the ratio of 8:1 (i.e. (Eight) fully paid up equity share for every 1 (One) Equity share held to the shareholders.

### 3.4 Details of shareholders holding more than 5% shares is set out below:

Name of Shareholders	As at							
	August 31, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
<b>Equity share capital</b>								
Amisha Agarwal	-	-	-	-	2.21	19.08%	2.21	19.08%
Suresh Agarwal	-	-	-	-	-	-	0.62	5.36%
Puspa Agarwal	-	-	5.31	4.30%	0.59	5.10%	0.59	5.10%
Sweta Agarwal	69.03	55.92%	55.26	44.76%	6.14	53.05%	1.72	14.86%
Rajesh Agarwal	-	-	13.77	11.16%	0.50	4.28%	4.30	37.11%
Harshiel Agarwal	35.14	28.47%	29.83	24.17%	-	-	-	-
Abbas Presswala	13.42	10.87%	13.42	10.87%	-	-	-	-
Deepak Kumar Gupta	-	-	-	-	0.72	6.19%	0.72	6.19%
Arti Devi	-	-	-	-	0.61	5.29%	0.61	5.29%
Other holding less than 5%	5.85	4.74%	5.85	4.74%	0.81	7.02%	0.81	7.02%

### 3.5 Note for verification of shareholding pattern

As per records of the company including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

### 3.6 Details of shares held by Promoters

As at August 31, 2024:

Promoter Name	No. of Shares in the end of period	% of Total Shares
<b>Equity share capital</b>		
Sweta Agarwal	55.26	44.76%
Harshiel Agarwal	29.83	24.17%
<b>Total</b>	<b>85.09</b>	<b>68.93%</b>

As at March 31, 2024:

Promoter Name	No. of Shares in the end of year	Change during the year	No. of Shares in the end of year	% of Total Shares
<b>Equity share capital</b>				
Sweta Agarwal	6.14	49.12	55.26	44.76%
Harshiel Agarwal	0.00	29.83	29.83	24.17%
<b>Total</b>	<b>6.14</b>	<b>78.95</b>	<b>85.09</b>	<b>68.93%</b>

As at March 31, 2023:

Promoter Name	No. of Shares in the end of year	Change during the year	No. of Shares in the end of year	% of Total Shares
<b>Equity share capital</b>				
Sweta Agarwal	1.72	4.42	6.14	53.00%
Amisha Agarwal	2.21	0.00	2.21	19.00%
<b>Total</b>	<b>3.93</b>	<b>4.42</b>	<b>8.35</b>	<b>72.00%</b>

As at March 31, 2022:

Promoter Name	No. of Shares in the end of year	Change during the year	No. of Shares in the end of year	% of Total Shares
<b>Equity share capital</b>				
Sweta Agarwal	0.47	1.25	1.72	15.00%
Amisha Agarwal	2.21	0.00	2.21	19.00%
<b>Total</b>	<b>2.68</b>	<b>1.25</b>	<b>3.93</b>	<b>34.00%</b>

#### 4. Reserves and Surplus, as restated

(All amounts are in Indian Rupees Lakhs)

Particulars	As at			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>a. Securities premium account</b>				
Opening balance	96.14	180.51	180.51	801.59
Add : Premium on shares issued during the year	-	85.67	-	-
Less : Utilized during the year for:				
Issuing bonus shares	-	170.04	-	-
Transfer to Reserves & Surplus	-	-	-	621.08
Writing off shares / debentures issue expenses	-	-	-	-
<b>Closing balance</b>	<b>96.14</b>	<b>96.14</b>	<b>180.51</b>	<b>180.51</b>
<b>b. Surplus / (Deficit) in Statement of Profit and Loss</b>				
Opening balance	439.34	789.56	793.36	322.81
Less: Prior Period Adjustments	-	-	-	222.12
Add: Transfer from Securities Premium	-	-	-	621.09
Add: Profit / (Loss) for the year	576.43	581.30	(1.66)	79.89
Less: Provision for gratuity	-	4.24	2.13	8.32
Add: Foreign Exchange Reserve	-	927.28	-	-
<b>Closing balance</b>	<b>1,015.77</b>	<b>439.34</b>	<b>789.56</b>	<b>793.36</b>
<b>Total</b>	<b>1,111.91</b>	<b>535.48</b>	<b>970.07</b>	<b>973.87</b>

*Note: An amount of Rs.6,21,08,000 was transferred from security premium to the Profit & Loss reserve in FY 21-22, but it has been noticed that this amount was not used for any dividend payment or any other kind of payment. The same amount was utilized for issuing bonus in FY 23-24.*

**5. Long Term Provisions, as restated**

*(All amounts are in Indian Rupees Lakhs)*

Particulars	As at			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Non-Current</b>				
Provision for employee benefits				
Gratuity	16.79	14.68	10.44	8.32
Compensated absence		-	-	-
<b>Total</b>	<b>16.79</b>	<b>14.68</b>	<b>10.44</b>	<b>8.32</b>

**6. Short Term Provision, as restated**

*(All amounts are in Indian Rupees Lakhs)*

Particulars	As at			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Current</b>				
Gratuity	-	-	-	-
Salary & Reimbursements	-	-	-	6.98
Income Tax provisions	306.79	123.65	26.63	23.03
<b>Total</b>	<b>306.79</b>	<b>123.65</b>	<b>26.63</b>	<b>30.01</b>

**7. Trade Payables, as restated**

*(All amounts are in Indian Rupees Lakhs)*

Particulars	As at			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Outstanding dues of micro enterprises &amp; small enterprises</b>	-	-	-	-
<b>Outstanding dues of creditors other than micro &amp; small enterprises</b>	1,385.90	888.22	969.79	737.40
<b>Capital Creditors</b>				
Shree Salasar	-	205.00	-	-
Pravin Sakharam Kena	-	1.50	-	-
<b>Total</b>	<b>1,385.90</b>	<b>1,094.72</b>	<b>969.79</b>	<b>737.40</b>

**Trade Payables Ageing Details:**

**For the period ended August 31, 2024:**

Particulars	Outstanding for the following periods from due date of payment					
	Up to 6 Months	6 Months to 1 Year	1-2 year	2-3 year	More than 3 year	Total
Others	1,368.79	1.46	6.64	9.01	-	1,385.90
<b>Total</b>	<b>1,368.79</b>	<b>1.46</b>	<b>6.64</b>	<b>9.01</b>	<b>-</b>	<b>1,385.90</b>

**For the year ended March 31, 2024:**

Particulars	Outstanding for the following periods from due date of payment					
	Up to 6 Months	6 Months to 1 Year	1-2 year	2-3 year	More than 3 year	Total
Others	885.99	1.46	0.77	-	-	888.22
Shree Salasar	205.00					205.00

Particulars	Outstanding for the following periods from due date of payment					
	Up to 6 Months	6 Months to 1 Year	1-2 year	2-3 year	More than 3 year	Total
Pravin Sakharam Kena	1.50					1.50
<b>Total</b>	<b>1,092.49</b>	<b>1.46</b>	<b>0.77</b>	<b>-</b>	<b>-</b>	<b>1,094.72</b>

**For the year ended March 31, 2023:**

Particulars	Outstanding for the following periods from due date of payment					
	Up to 6 Months	6 Months to 1 Year	1-2 year	2-3 year	More than 3 year	Total
Others	960.06		9.74	-	-	969.79
<b>Total</b>	<b>960.06</b>		<b>9.74</b>	<b>-</b>	<b>-</b>	<b>969.79</b>

**For the year ended March 31, 2022:**

Particulars	Outstanding for the following periods from due date of payment					
	Up to 6 Months	6 Months to 1 Year	1-2 year	2-3 year	More than 3 year	Total
Others	-	427.47	6.79	303.15	-	737.40
<b>Total</b>	<b>-</b>	<b>427.47</b>	<b>6.79</b>	<b>303.15</b>	<b>-</b>	<b>737.40</b>

**8. Other Current Liabilities, as restated**

*(All amounts are in Indian Rupees Lakhs)*

Particulars	As at			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Others</b>				
Statutory liabilities	25.83	74.08	9.99	8.96
Salary payable	17.76	43.09	29.45	2.10
PT Payable	0.60	-	-	-
Provision for Income Tax	0.03	0.03	0.03	-
<b>Total</b>	<b>26.05</b>	<b>117.19</b>	<b>39.47</b>	<b>11.06</b>

9. Property, Plant and Equipment, as restated

Gross Block

(All amounts are in Indian Rupees Lakhs)

Particulars	Motor Bike	Building	Motor car	Furniture and Fixtures	Plant and Machinery	Computers	Other Equipment	Total
<b>Balance as at 1 April 2021</b>	<b>2.01</b>	-	<b>90.50</b>	<b>21.75</b>	<b>390.25</b>	<b>8.59</b>	<b>12.01</b>	<b>525.1</b>
Additions	-	-	-	-	5.96	0.36	0.51	<b>6.82</b>
Disposals / capitalized during the year	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>2.01</b>	-	<b>90.50</b>	<b>21.75</b>	<b>396.21</b>	<b>8.95</b>	<b>12.52</b>	<b>531.92</b>
<b>Balance as at 1 April 2022</b>	<b>2.01</b>	<b>1,996.92</b>	<b>90.50</b>	<b>21.75</b>	<b>396.21</b>	<b>8.95</b>	<b>12.52</b>	<b>2,528.84</b>
Additions	-	-	-	3.82	321.15	0.13	243.3	<b>568.39</b>
Disposals / capitalized during the year	-	-	11.37	-	-	-	-	<b>11.37</b>
<b>Balance as at 31 March 2023</b>	<b>2.01</b>	<b>1,996.92</b>	<b>79.13</b>	<b>25.57</b>	<b>717.35</b>	<b>9.08</b>	<b>255.81</b>	<b>3,085.87</b>
<b>Balance as at 1 April 2023</b>	<b>2.01</b>	<b>1,996.92</b>	<b>79.13</b>	<b>25.57</b>	<b>717.35</b>	<b>9.08</b>	<b>255.81</b>	<b>3,085.87</b>
Additions	-	8.04	94.78	1.58	282.61	2.56	27.46	417.03
Disposals / capitalized during the year	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2024</b>	<b>2.01</b>	<b>2,004.96</b>	<b>173.91</b>	<b>27.15</b>	<b>999.96</b>	<b>11.64</b>	<b>283.28</b>	<b>3,502.89</b>
<b>Balance as at 1 April 2024</b>	<b>2.01</b>	<b>2,004.96</b>	<b>173.91</b>	<b>27.15</b>	<b>999.96</b>	<b>11.64</b>	<b>283.28</b>	<b>3,502.89</b>
Additions	-	-	75.79	-	377.84	2.72	-	456.34

Particulars	Motor Bike	Building	Motor car	Furniture and Fixtures	Plant and Machinery	Computers	Other Equipment	Total
Disposals / capitalized during the year	-	-	-	-	-	-	-	-
<b>Balance as at 31 August 2024</b>	<b>2.01</b>	<b>2,004.96</b>	<b>249.70</b>	<b>27.15</b>	<b>1,377.79</b>	<b>14.36</b>	<b>283.28</b>	<b>3,959.24</b>

#### Accumulated Depreciation

Particulars	Motor Bike	Building	Motor car	Furniture and Fixtures	Plant and Machinery	Computers	Other Equipment	Total
<b>Balance as at 1 April 2021</b>	1.54	-	47.19	14.47	254.65	5.86	7.97	<b>331.70</b>
Charge for the year	0.15	-	10.33	1.73	19.12	0.88	0.97	33.18
On disposal	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>1.68</b>	<b>-</b>	<b>57.53</b>	<b>16.20</b>	<b>273.77</b>	<b>6.74</b>	<b>8.95</b>	<b>364.87</b>
<b>Balance as at 1 April 2022</b>	1.68	-	57.53	16.20	273.77	6.74	8.95	<b>364.87</b>
Charge for the year	0.06	189.71	5.06	1.71	45.57	0.59	1.45	244.15
On disposal	-	-	8.39	-	-	-	-	8.39
<b>Balance as at 31 March 2023</b>	<b>1.75</b>	<b>189.71</b>	<b>54.20</b>	<b>17.91</b>	<b>319.34</b>	<b>7.33</b>	<b>10.40</b>	<b>600.63</b>
<b>Balance as at 1 April 2023</b>	1.75	189.71	54.20	17.91	319.34	7.33	10.40	<b>600.63</b>
Charge for the year	0.05	189.71	11.76	3.01	95.51	1.02	3.99	305.04
On disposal	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2024</b>	<b>1.80</b>	<b>379.41</b>	<b>65.96</b>	<b>20.92</b>	<b>414.85</b>	<b>8.35</b>	<b>14.39</b>	<b>905.68</b>

Particulars	Motor Bike	Building	Motor car	Furniture and Fixtures	Plant and Machinery	Computers	Other Equipment	Total
<b>Balance as at 1 April 2024</b>	1.80	379.41	65.96	20.92	414.85	8.35	14.39	<b>905.68</b>
Charge for the year	-	79.36	16.47	1.07	79.75	1.54	4.03	182.22
On disposal	-	-	-	-	-	-	-	-
<b>Balance as at 31 August 2024</b>	<b>1.80</b>	<b>458.78</b>	<b>82.43</b>	<b>21.99</b>	<b>494.59</b>	<b>9.89</b>	<b>18.42</b>	<b>1,087.90</b>

#### Net Block

Particulars	Motor Bike	Building	Motor car	Furniture and Fixtures	Plant and Machinery	Computers	Other Equipment	Total
<b>As at 31 March 2022</b>	<b>0.32</b>	<b>-</b>	<b>32.97</b>	<b>5.55</b>	<b>122.43</b>	<b>2.21</b>	<b>3.57</b>	<b>167.05</b>
<b>As at 31 March 2023</b>	<b>0.26</b>	<b>1,807.21</b>	<b>24.93</b>	<b>7.66</b>	<b>398.01</b>	<b>1.75</b>	<b>245.41</b>	<b>2,485.23</b>
<b>As at 31 March 2024</b>	<b>0.21</b>	<b>1,625.55</b>	<b>107.95</b>	<b>6.23</b>	<b>585.11</b>	<b>3.29</b>	<b>268.89</b>	<b>2,597.21</b>
<b>As at 31 August 2024</b>	<b>0.21</b>	<b>1,546.18</b>	<b>167.27</b>	<b>5.15</b>	<b>883.20</b>	<b>4.47</b>	<b>264.85</b>	<b>2,871.33</b>

Note:

(i) Refer Annexure V for details of Property, Plant.

Particulars	As at			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Capital Work in Progress</b>				
Building 2 under construction	2,258.74	336.57	-	1,619.54
<b>Total</b>	<b>2,258.74</b>	<b>336.57</b>	<b>-</b>	<b>-</b>



### 10. Deferred Tax Assets, as restated

(All amounts are in Indian Rupees Lakhs)

Particulars	As at			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>A. Details of Deferred tax assets as on</b>				
Property, Plant & Equipment	33.78	20.50	9.16	-
<b>Net deferred tax assets</b>	<b>33.78</b>	<b>20.5</b>	<b>9.16</b>	<b>-</b>
<b>B. Details of charge/(credit) during the year</b>				
Property, Plant & Equipment	13.28	11.33	9.16	8.4
<b>Net deferred tax (credit) /charge</b>	<b>13.28</b>	<b>11.33</b>	<b>9.16</b>	<b>8.4</b>

### 11. Non-current Investments, as restated

(All amounts are in Indian Rupees Lakhs)

Particulars	As at			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Cash on hand	3.94	0.03	2.29	20.60
<b>Balance with Bank</b>				
HDFC Capital A/c- 50200100144902	86.00			
UCO Bank	0.33	0.33	0.33	0.33
Canara Bank- 5721	0.53	5.28	-	
Canara Bank- 8696	0.72	90.94	0.67	0.00
<b>Other Bank Balance</b>				
HDFC EEFC A/c- 50200099945101	3.96			
Canara Bank Account (Dollar Denominated)	-	27.06	223.24	77.42
Canara Bank Account (EURO Denominated)	(0.03)	(0.03)		
<b>Total</b>	<b>95.44</b>	<b>123.60</b>	<b>226.52</b>	<b>98.35</b>

### 12. Loans and Advances, as restated

(All amounts are in Indian Rupees Lakhs)

Particulars	As at			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Short Term Loans and Advances</b>				
Security Deposit	475.87	187.41	12.46	5.75
Advances	-	(13.92)	66.53	94.26
Advance income tax	144.01	103.04	49.62	27.85
MAT credit entitlement	1.05	1.05	1.05	1.05
Balances with government authorities	446.70	184.54	198.23	326.30
<b>Total</b>	<b>1,067.63</b>	<b>462.11</b>	<b>327.88</b>	<b>455.20</b>

**13. Other Current Asset, as restated***(All amounts are in Indian Rupees Lakhs)*

Particulars	As at			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, GST, etc.)	-	237.10	241.82	-
<b>Total</b>	<b>-</b>	<b>237.10</b>	<b>241.82</b>	<b>-</b>

**13.1 Inventories, as restated***(All amounts are in Indian Rupees Lakhs)*

Particulars	As at			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Stock-in-Trade</b>				
Raw materials	1,603.45	2,066.09	1,391.60	1,504.51
Stock in progress	477.09	413.22	278.32	300.90
Finished goods	795.15	688.7	463.87	501.50
Others	216.51	275.48	185.55	200.60
<b>Total</b>	<b>3,092.20</b>	<b>3,443.48</b>	<b>2,319.33</b>	<b>2,507.52</b>

**14. Revenue from Operations, as restated***(All amounts are in Indian Rupees Lakhs)*

Particulars	For the period / year ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Export Sales Paper and Stationery	2,835.49	8,102.56	6,677.06	4,559.95
Domestic Sales Paper and Stationery	2,264.10	4,704.44	2,330.28	5,764.01
Domestic Sales Commercial Printing	4,529.06	6,207.22	4,001.67	1,643.14
Sales of License (Overseas)	12.39	40.38	149.42	12.72
<b>Total</b>	<b>9,641.04</b>	<b>19,054.60</b>	<b>13,158.43</b>	<b>11,979.82</b>

**15. Other Income, as restated***(All amounts are in Indian Rupees Lakhs)*

Particulars	For the period / year ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Other non-operating income	9.58	24.04	88.12	51.20
Interest income on Fixed deposits	0.86	11.29	10.78	5.31
Interest received from others	0.12	0.21	-	1.87
<b>Total</b>	<b>10.56</b>	<b>35.54</b>	<b>98.91</b>	<b>58.38</b>

**16.1 Purchase of traded goods, as restated***(All amounts are in Indian Rupees Lakhs)*

Particulars	For the period / year ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Purchases	6,366.35	15,023.73	10,995.07	12,220.80
<b>Total</b>	<b>6,366.35</b>	<b>15,023.73</b>	<b>10,995.07</b>	<b>12,220.80</b>

**16.2 Changes in inventories of finished goods, work-in-progress and stock-in-trade, as restated**

*(All amounts are in Indian Rupees Lakhs)*

Particulars	For the period / year ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Inventories at the end of the year</b>				
Stock- in - hand (A)	3,092.20	3,443.48	2,319.33	2,507.52
<b>Inventories at the beginning of the year</b>				
Stock-in -hand (B)	3,443.48	2,319.33	2,507.52	962.71
<b>Net (Increase) / decrease in stock (A-B)</b>	<b>351.28</b>	<b>(1,124.15)</b>	<b>188.19</b>	<b>(1,544.80)</b>

**17. Employee benefit expenses, as restated**

*(All amounts are in Indian Rupees Lakhs)*

Particulars	For the period / year ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Salaries, wages and allowances	374.19	771.04	359.43	211.76
Director's remuneration	17.50	29.40	-	-
Gratuity Expense	2.10	-	-	-
Bonus	-	-	-	5.00
Staff welfare Expenses	6.13	12.83	5.97	5.64
<b>Total</b>	<b>399.93</b>	<b>813.28</b>	<b>365.39</b>	<b>222.40</b>

**18. Finance cost, as restated**

*(All amounts are in Indian Rupees Lakhs)*

Particulars	For the period / year ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
A. Interest expense on:				
i. Borrowings				
Interest on CC Limits	117.00	167.02	59.92	31.38
Interest on ILC Charges	-	34.38	11.32	15.85
Interest Paid	79.28	397.73	155.78	71.34
B. Others				
Bank Commission & other charges	51.02	23.21	48.58	44.47
Joining & Stamping fees	15.50	15.08	1.54	3.45
Processing Fees	1.08	70.48	6.93	1.17
<b>Total</b>	<b>263.88</b>	<b>707.90</b>	<b>284.06</b>	<b>167.66</b>

**19. Other expenses, as restated**

*(All amounts are in Indian Rupees Lakhs)*

Particulars	For the period / year ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Auditor fees	1.25	1.25	1.25	1.25
Consumption of stores and spares parts	49.21	111.46	72.54	14.70

Particulars	For the period / year ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Commission on Sales	388.08	770.24	52.02	27.37
Cover Designing Expenses	-	-	0.10	5.78
Petrol	11.07	15.81	8.10	-
Machinery spare part	7.05	35.32	20.85	-
Computer Running Expenses	0.13	1.16	1.15	1.37
Power and fuel	67.23	121.41	42.44	24.86
Electricity Charges	1.77	4.85	2.81	0.86
PQR Charges		-	1.51	-
Water		-	0.41	4.03
Quantity Discount	(0.95)	0.25	-	0.31
Factory Expense	0.27	7.17	1.97	0.42
Hamali Expenses	0.94	2.97	0.25	-
Contractor Wages	149.13	229.86	187.74	207.00
Rent including lease rentals		-	3.76	71.72
Repairs and maintenance- Machinery	0.77	6.83	1.23	0.53
Repairs and maintenance- Vehicles	1.84	7.15	2.68	2.77
Repairs and maintenance- Others	13.82	52.21	35.60	15.31
Insurance	14.38	13.44	15.19	13.83
GST Write off	-	2.55	1.14	0.11
Tender Fees	0.67	3.21	0.91	0.12
Registration Charges	0.15	-	-	18.21
Telephone Expenses	0.02	0.20	0.21	0.42
Travelling and conveyance	29.76	48.72	19.41	12.34
Printing Expenses	9.32	92.40	68.13	67.63
Printing & Stationery	2.57	2.20	0.80	1.40
Freight and forwarding	0.20	15.35	72.36	54.22
Transport Charges	108.33	271.07	78.86	123.43
Rate Difference	8.05	-		-
Donations and Contribution		52.16	0.94	1.43
Legal and Professional	22.53	35.70	16.00	33.94
Net Gain/Loss on foreign currency transactions and translation (other than considered as finance cost)	(16.26)	(115.67)	(157.20)	(204.43)
Miscellaneous expense	0.88	0.61	0.05	0.11
Detention Charges	-	0.50	3.85	2.86
Documentation Charges	-	1.53	0.25	0.17
Generator Running Expense	-	-	0.52	-
Other expenses related to Import	-	0.96	-	0.50
Import Clearing Expenses	0.88	65.80	4.91	36.09
Import Freight Expenses	3.19	5.50	8.53	3.02
Plate Making Expenses	26.70	67.09	44.35	-
Forwarding Charges	0.94	0.89	1.40	-
Medical Expenses	0.65	0.61	0.24	2.37
DGFT License Fees	2.77	0.49	3.68	0.54
Loading & unloading exp	8.10	22.86	21.63	18.80
Business Promotion Expenses	14.64	18.68	21.57	4.85
Postage & Courier Charges	16.05	15.74	2.98	2.32
Varai Expenses	-	-	(9.71)	(1.65)
Internet Expenses	0.71	0.85	-	0.29
Office Expenses	3.87	8.05	4.17	3.07
Interest on TDS		-	0.22	0.08
Interest on GST	-	0.15	-	-

Particulars	For the period / year ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Bad Debts	-	-	22.56	-
Interest on Late Payment	-	0.05	-	0.09
PQRS Charges	-	3.66	-	9.14
Packing Charges	3.18	4.05	0.74	0.03
Agency Charges	0.78	-	-	0.53
Custom Duty on Imports	3.35	43.57	-	16.37
CNCA Charges	0.40	1.79	1.03	(0.08)
Pooja Expenses	0.69	2.90	0.28	1.65
Security Charges	19.08	25.67	11.53	6.78
Gear Charges	-	-	-	0.26
Handling Charges	-	2.68	-	0.11
FSC Audit Charges	3.95	-	-	-
Export Freight Charges	71.33	(14.07)	284.81	115.13
Export Clearing Expenses	46.46	147.37	118.80	85.97
Tour Travelling Expenses	0.67	3.22	3.95	3.49
Penalty	18.85	29.79	-	0.15
CFS Charges	1.65	(0.53)	2.06	11.99
Inspection Expense	0.05	-	-	-
BL Surrender Charges	0.12	-	0.09	0.03
THC Destination Charges	-	-	-	(0.80)
Sampling Charges	-	(0.35)	0.00	0.26
Shipping Charges	-	-	-	0.01
Survey Fees	-	-	0.02	0.44
Round off	(0.00)	0.01	-	0.00
Capexil Expenses	0.36	-	-	-
Labour Charges	205.33	307.04	27.99	8.22
L.C. Discounting	0.03	0.22	0.09	0.06
Late Payment Charges	0.01	0.07	0.00	0.00
Warehousing Charges	-	0.46	9.76	8.50
WARFAGE Charges	-	-	-	1.01
PTEC Charges	0.03	0.03	0.03	0.03
FSSAI Fees	-	0.59	0.08	0.44
Newspaper & Publication Expenses	0.30	-	-	-
OPL Charges	0.05	0.79	-	-
Weighment Charges	0.02	-	0.00	0.19
Service Charges	3.61	11.82	1.83	0.13
ROC Expenses	0.12	13.13	0.05	0.02
Other Expense	0.90	1.94	3.84	-
Annual Maintenance Charges	0.45	0.79	1.12	-
Annual Sport Charges	-	-	0.46	-
Cancellation Charges	-	-	0.16	-
Certification export	-	0.03	0.05	-
Discount allowed	-	(0.01)	0.26	-
Drinking Water	-	1.55	1.70	-
Fumigation expense	-	-	0.02	-
Installation charges	-	8.87	7.34	-
Interest on rodtep	-	-	5.21	-
ISO Certificate	-	0.17	0.46	-
JCB expense	0.47	0.69	0.55	-
Lift Charges	-	0.08	4.89	-
Membership Expense	-	-	0.06	-
Pest Charges	-	0.02	0.42	-
Rodtep	-	-	25.43	-
Round off	-	(0.00)	0.01	-

Particulars	For the period / year ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Trade Mark	-	0.26	0.20	-
Room Rent	2.45	2.11	-	-
Advertising Expense	-	0.39	-	-
Copyright	-	0.12	-	-
Corpus Fund	-	1.77	-	-
LAB Testing Fees	-	0.16	-	-
Technical Charges	-	0.01	-	-
Web Sites	-	0.21	-	-
<b>Total</b>	<b>1,335.37</b>	<b>2,602.66</b>	<b>1,199.68</b>	<b>844.48</b>

## 20. Earnings per share, as restated

Particulars	Unit of Measurement	For the period / year ended			
		August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Net profit after tax available to the owners of the group	Rs in lakhs	576.43	581.3	(1.66)	79.89
Weighted average no. of shares outstanding during the year	No	12344868	12344868	10417374	10417374
Basic and diluted earnings per share (Not annualized)	Rupees	4.67	4.71	(0.02)	0.77

Particulars	For the period / year ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Computation of Weighted average no. of shares</b>				
No. of Shares outstanding at beginning of the year	12344868	1157486	1157486	1157486
Private Placement on March 28, 2024	-	214166	-	-
Bonus shares*	-	10973216	9259888	<b>9259888</b>
<b>Weighted average no. of shares outstanding during the year</b>	<b>12344868</b>	<b>12344868</b>	<b>10417374</b>	<b>10417374</b>

\*During the year ended March 31, 2024, the Company on March 31, 2024 allotted 1,09,73,216 bonus shares of face value of Rs. 10/- each. The bonus issue of share has been made in the ratio of 8:1 (i.e. 8 (Eight) fully paid up equity share for every 1 (one) Equity share held to the shareholders.

## 21. Contingent liabilities, as restated

(All amounts are in Indian Rupees Lakhs)

Particulars	For the period / year ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

There are no other present obligations requiring provisions in accordance with the guiding principles as enunciated in Accounting Standard (AS) - 29, "Provisions, Contingent liabilities & Contingent Assets" as it is not probable that an outflow of resources embodying economic benefits will be required.

### 21.1 CSR Disclosure

Since Section 135(5) of company Act, 2013 is applicable to the Company, hence this clause is applicable. We will consider the same at the end of the year.

**22. Dividend, as restated***(All amounts are in Indian Rupees Lakhs)*

Particulars	For the period / year ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
	-	-	-	-
<b>Total</b>	-	-	-	-

*There is no dividend proposed or declared as per the information provided by the Management.*

**23. Related party transactions, as restated****i. List of related parties as per the requirements of AS 18 - Related Party Disclosures****Directors, SMP & KMP**

Sweta Agarwal  
 Harshiel Agarwal  
 Abbas Presswala  
 Amisha Agarwal  
 Rajesh Agarwal  
 Mahavir Hingar  
 Narayanan Iyer  
 Vipul Desai  
 Monika Kankani

**Related Entity**

Shyam Udyog  
 Seagate Speciality Products Private Limited

**Note: Related party relationship is as identified by the Company and relied upon by the Auditors.**

**ii. Transactions carried out with Related Party***(All amounts are in Indian Rupees Lakhs)*

Nature of transaction	Name of related party	As at 31 <sup>st</sup> August 2024	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Director's Remuneration	Amisha Agarwal	7.50	13.20	-	-
Salary	Rajesh Agarwal	3.00	6.00	-	-
Salary	Puspa Agarwal	-	9.00	-	-
Salary	Vikash Agarwal	-	3.00	-	-
Salary	Harshiel Agarwal	4.00	-	-	-
Director's Remuneration	Sweta Agarwal	10.00	16.20	-	-
Purchases	Shyam Udyog	395.04	5,222.94	4,077.20	1,531.05
Loan Repayment	Amisha Agarwal	8.35	-	-	-
Loan Repayment	Puspa Agarwal	0.60	-	-	-
Loan Given	Rajesh Agarwal	3.83	-	-	-
Loan Repayment	Seagate Speciality Products Pvt Ltd	15.50	-	-	-
Loan Given	Sweta Agarwal	3.31	-	-	-
Loan Given	Rajesh Agarwal (HUF)	7.25	-	-	-
Loan Given	Harshiel Agarwal	2.40	-	-	-
Salary	Abbas Presswala	15.00	-	-	-
Salary	Monika Kankani	3.50	-	-	-
Salary	Vipul R Desai	2.50	-	-	-

**iii. Terms and conditions of transactions with related parties**

- c. The sales to and purchases from related parties are made on terms equivalent to those that prevail in an arm's length transaction.
- d. Outstanding balances at the period / year-end are unsecured and interest free.

**Notes:**

- iv. Related parties has been identified by the management of the company and relied upon by the auditors
- v. Transaction for the period are excluding indirect taxes, if any. Outstanding balances are including indirect taxes wherever applicable.
- vi. Remuneration excludes provision for employee benefits as separate actuarial valuation for directors and key management personnel is not available.
- vii. Related party transactions are excluding the transactions in the nature of reimbursement not being in the nature of outflow of economic resources to the related party.



Annexure V

Restated Statement of Borrowings

(All amounts are in Indian Rupees Lakhs)

Particulars	As at			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Non-current Borrowings:</b>				
<b>Long-term borrowings:</b>				
<b>Secured:</b>				
Term loans from bank	3,027.94	1,688.00	1,237.12	1,281.60
From other Parties	833.53	1,659.58	1,916.87	855.34
<b>Unsecured:</b>				
Loan and advances form related parties	3,156.49	3,164.15	887.76	375.45
<b>Total</b>	<b>7,017.96</b>	<b>6,511.73</b>	<b>4,041.75</b>	<b>2,512.40</b>

Particulars	As at			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Current Borrowings:</b>				
<b>Short-term borrowings:</b>				
<b>Secured:</b>				
Canara Bank CC A/c. (Secured Against Stock, Debtors and other asset)	-	-	551.16	446.15
ILC Payment	-	-	799.99	655.61
Packing Credit Limit (Secured Against Export/ Stock)	-	-	150.00	150.00
Unsecured Loan from other parties	-	-	-	379.00
SHRIRAM Limit	997.48	-	-	-
HDFC CC A/C	3,239.34	2,502.16	-	-
<b>Total</b>	<b>4,236.82</b>	<b>2,502.16</b>	<b>1,501.15</b>	<b>1,630.76</b>

**Terms and Conditions**

Particulars	Terms of repayment	As at			
		August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Secured – Non Current:</b>					
<b>Term Loan from Bank:</b>					
Citi Bank Loan	Loan tenure 145 Months @ average rate of 9.5%	79.26	88.47	105.43	123.79
Loan Canara 0103753000005	Repayable in 36 Installments after a moratorium of 6 months @ rate of 8.05%	-	-	-	8.33
Loan Canara 0103753000005	Repayable in 36 Installments after a moratorium of 12 months @ rate of 7.5%	-	-	46.69	78.36
Loan Canara 170002163307	Repayable in 36 Installments after a moratorium of 24 months @ rate of 7.5%	-	-	85.00	85.00
Loan Canara 170002898817	Repayable in 85 months @ rate of 7.5%	-	-	1,000.00	986.12
HDFC Term Loan Building	Repayable in 82 months @ rate of 9.5%	879.86	916.67	-	-
HDFC Term Loan Building- 2	Repayable in 81 months @ rate of 9.5%	2,000.00	682.86	-	-
HDFC Bank Guarantee		68.82	-	-	-
<b>Loan from Related Party:</b>					
Amisha Agarwal		84.07	92.42	84.97	59.97
Kailash Kumar Agarwalla		-	-	35.00	35.00
Pramod Kumar Agarwal		-	-	-	97.00
Puspa Agarwal		73.67	74.27	50.57	21.85
Rajesh Agarwal (HUF)		7.25	-	51.66	15.86
Rajesh Agarwal		76.25	72.42	5.24	0.00
Seagate Speciality Products Private Limited		2,875.19	2,890.69	448.48	17.08
Sweta Agarwal		37.66	34.36	103.91	67.40
Usha Devi Agarwalla		-	-	40.00	40.00
Vikash Agarwal (HUF)		-	-	9.82	10.40
Vikash Agarwal		-	-	58.10	10.88
Harshiel Agarwal		2.40	-	-	-
<b>Unsecured Loan:</b>					
ASHV Finance Limited	Repayable in 36 Months @ rate of 19.5%	22.40	25.84	-	-
Bajaj Finance Ltd	Repayable in 37 Months @ rate of 18.00%	37.27	42.13	-	-

Particulars	Terms of repayment	As at			
		August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Clix	Repayable in 24 Months @ rate of 17.50%	23.28	31.09	-	-
HDFC Car Loan	Repayable in 60 Months @ rate of 12.00%	66.72	72.45	-	-
Poona wala fincrop	Repayable in 36 Months @ rate of 17.00%	29.99	34.78	-	-
Shriram Finance	Repayable in 36 Months @ rate of 18.00%	35.61	1,041.59	-	-
URGO Capital Ltd	Repayable in 36 Months @ rate of 18.00%	37.90	43.63	-	-
Unity Small Finance	Repayable in 36 Months @ rate of 17.00%	38.06	44.19	-	-
Protium	Repayable in 12 Months @ rate of 18.00%	23.43	-	-	-
Protium	Repayable in 39 Months @ rate of 18.00%	145.65	-	-	-
Protium	Repayable in 41 Months @ rate of 18.00%	73.37	268.88	283.65	-
Electronica Finance Limited	Repayable in 24 Months @ rate of 18.00%	202.78	-	-	-
HDFC Hyundai Creta N Line	Repayable in 24 Months @ rate of 9.00%	21.04	-	-	-
HDFC Hyundai Creta N Line	Repayable in 24 Months @ rate of 9.00%	21.04	-	-	-
Pooja Fabrics Private Limited	Repayable in 36 Months @ rate of 12.00%	55.00	55.00	25.00	-
Anuradha Rajgopal Bang		-	-	90.00	92.40
Anita Ketan Nabeda		-	-	5.00	5.00
Nilesh Gosalia		-	-	7.30	7.30
Ketan Shonhachand Nabeda		-	-	3.00	3.00
Everfast Infraprojects Pvt. Ltd.	Repayable in 24 Months @ rate of 18.00%	-	-	28.70	27.00
Gurupriya Housing Pvt. Ltd.	Repayable in 24 Months @ rate of 18.00%	-	-	296.96	197.90
Hilltop Hirise Pvt. Ltd.	Repayable in 24 Months @ rate of 18.00%	-	-	-	100.00
JK & Sons -Loan	Repayable in 24 Months @ rate of 18.00%	-	-	49.57	101.74
Rahul Mahendra Khona		-	-	3.55	3.55
Ontrack Vinimay Pvt. Ltd.	Repayable in 24 Months @ rate of 18.00%	-	-	4.06	75.06
Raj Gopal Bang		-	-	90.00	92.40
Shridhar Iyer		-	-	150.00	150.00
Abbas Presswala		-	-	632.50	-
Balaji Tea Industries	Repayable in 24 Months @ rate of 18.00%	-	-	50.00	-
Minop Innovative Technologies	Repayable in 24 Months @ rate of 18.00%	-	-	4.58	-
Sharp Industries Loan	Repayable in 24 Months @ rate of 18.00%	-	-	20.00	-
Zainab Abbas		-	-	173.00	-
KMS Export	Repayable in 24 Months	-	-	-	23.00
SG Enterprises	Repayable in 24 Months	-	-	-	100.00
General Export	Repayable in 24 Months	-	-	-	116.00
First Advisor	Repayable in 24 Months	-	-	-	140.00

## Annexure VI

### Restated Statements of Investments

(All amounts are in Indian Rupees Lakhs)

Particulars	As at			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Non-Current</b>				
Fixed Deposit - Margin	6.16	15.46	218.17	181.91
FDR Accrued Interest	0.81	13.54	10.26	3.73
Fixed Deposit - Margin S	99.99	99.99	-	-
HDFC FD	121.62	39.00	-	-
Cash Collateral FD EFL	61.95	-	-	-
<b>Total</b>	<b>290.53</b>	<b>167.99</b>	<b>228.43</b>	<b>185.64</b>

## Annexure VII

### Trade Receivables, as restated

(All amounts are in Indian Rupees Lakhs)

Particulars	As at			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Unsecured, considered good	5,974.71	4,754.72	1,836.69	977.80
Others	-	-	-	-
<b>Net trade receivables</b>	<b>5,974.71</b>	<b>4,754.72</b>	<b>1,836.69</b>	<b>977.80</b>

### Trade Receivables Ageing Details:

#### For the period ended August 31, 2024:

Particulars	Outstanding for the following periods from due date of payment					
	Up to 6 Months	6 Months to 1 Year	1-2 year	2-3 year	More than 3 year	Total
Undisputed trade receivables – considered good	3,938.71	2,036.00	-	-	-	5,974.71
<b>Total</b>	<b>3,938.71</b>	<b>2,036.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,974.71</b>

#### For the year ended March 31, 2024:

Particulars	Outstanding for the following periods from due date of payment					
	Up to 6 Months	6 Months to 1 Year	1-2 year	2-3 year	More than 3 year	Total
Undisputed trade receivables – considered good	2,554.06	2,200.66	-	-	-	4,754.72
<b>Total</b>	<b>2,554.06</b>	<b>2,200.66</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,754.72</b>

#### For the year ended March 31, 2023:

Particulars	Outstanding for the following periods from due date of payment					
	Up to 6 Months	6 Months to 1 Year	1-2 year	2-3 year	More than 3 year	Total
Undisputed trade receivables – considered good	1,836.69	-	-	-	-	1,836.69
<b>Total</b>	<b>1,836.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,836.69</b>

**For the year ended March 31, 2022:**

Particulars	Outstanding for the following periods from due date of payment					
	Up to 6 Months	6 Months to 1 Year	1-2 year	2-3 year	More than 3 year	Total
Undisputed trade receivables – considered good	917.52	60.27	-	-	-	977.80
<b>Total</b>	<b>917.52</b>	<b>60.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>977.80</b>

**Annexure VIII****Restated Summary Statements of Other Information***(All amounts are in Indian Rupees Lakhs)*

Particulars	For the period / year ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Net Profit after tax as Restated (A)	576.43	581.30	(1.66)	79.89
Add: Depreciation	182.23	305.04	235.76	33.18
Add: Finance Cost	263.88	707.90	284.06	167.66
Add: Income Tax/ Deferred Tax	176.14	180.38	(9.16)	14.60
Less: Other Income	(10.56)	(35.54)	(98.91)	(58.38)
EBITDA	1,188.11	1,739.09	410.09	236.94
EBITDA Margin (%)	12.31%	9.11%	3.09%	1.97%
Net Worth as Restated (B)	2,655.40	1,769.97	1,085.82	1,089.62
Return on Net worth (%) as Restated (A/B)	21.71%	32.84%	(0.15%)	7.33%
Equity Share at the end of year (in Nos.) (C)	1,23,44,868	1,23,44,868	11,57,486	11,57,486
Weighted No. of Equity Shares (in Nos.) (D)	1,23,44,868	1,23,44,868	11,57,486	11,57,486
Weighted No. of Equity Shares Considering Bonus & Split Impact (E)	1,23,44,868	1,23,44,868	1,04,17,374	1,04,17,374
(Post Bonus after restated period with retrospective effect)				
Basic & Diluted Earnings per Equity Share as Restated (A/D)	4.67	4.71	(0.02)	0.77
Net Asset Value per Equity Shares as Restated (B/C)	21.51	14.34	93.81	94.14
Net Asset Value per Equity Shares as Restated after considering Bonus with retrospective effect (B/E)	21.51	14.34	10.42	10.46

## Restated Other Income

(All amounts are in Indian Rupees Lakhs)

Particulars	Nature (Recurring/ Non- Recurring)	For the period / year ended			
		August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Other non- operating income	Recurring	9.58	24.04	88.12	51.20
Interest income on Fixed deposits	Recurring	0.86	11.29	10.78	5.31
Interest received from others	Recurring	0.12	0.21	-	1.87
<b>Total</b>		<b>10.56</b>	<b>35.54</b>	<b>98.91</b>	<b>58.38</b>

## Annexure IX

### Restated Statements of Accounting Ratios

Sr. No.	Metric	As at or for the Period/Financial Year ended			
		August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
20.	Revenue from Operations	9,641.04	19,054.60	13,158.43	11,979.82
21.	Growth in Revenue from Operations (%)	21.43%*	44.81%	9.84%	8.32%
22.	Gross Product Sales	9,641.04	19,054.60	13,158.43	11,979.82
23.	Gross Profit	2,063.36	3,483.121	1,071.57	848.65
24.	Gross Margin (%)	21.40%*	18.28%	8.14%	7.08%
25.	EBITDA	1,188.11	1,739.08	410.09	236.94
26.	EBITDA Margin (%)	12.32%*	9.13%	3.12%	1.98%
27.	Profit after Tax (PAT)	576.43	581.30	(1.66)	79.88
28.	PAT Margin (%)	5.98%*	3.05%	(0.01%)	0.67%
29.	Inventory turnover ratio (times)	5.57*	5.42	5.05	6.45
30.	Current Ratio (times)	1.71	2.35	1.95	1.68
31.	Trade receivable turnover ratio (times)	4.31*	5.78	9.35	10.31
32.	RoE (%)	52.10%*	32.84%	(0.15%)	7.33%
33.	RoCE (%)	27.16%*	21.91%	6.26%	9.27%
34.	Debt-Service Coverage Ratio (DSCR) (times)	1.88	1.67	1.44	1.13
35.	Gross Fixed Assets Turnover (times)	6.20*	5.78	7.27	22.67
36.	Debt to Equity Ratio (times)	4.92	5.89	6.12	4.56
37.	Debt to Quasi Equity Ratio (times)	1.70	1.46	2.90	3.13
38.	Working Capital days	~121 Days	~148 Days	~86 Days	~89 Days

Sr. No.	Metric	As at or for the Period/Financial Year ended			
		August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
	<b>Gross Product Sales break up by Geography</b>				
	c. Domestic	6,793.16	10,911.66	6,331.95	7,407.15
	d. Overseas	2,847.88	8,142.94	6,826.48	4,572.67
	<b>Gross Product Sales break up by product category</b>				
	d. Back-to-school Paper Stationery	5,099.59	12,807.00	9,007.34	10,323.96
	e. Commercial Printing	4,529.06	6,207.22	4,001.67	1,643.14
	f. Sale of License	12.39	40.38	149.42	12.72

## Annexure X

### A. Statement of adjustments to Audited Restated Financial Statements

- i. Summarized below are the restatement adjustments made to the Restated financial statements for the years ended August 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 and their impact on the Restated Statement of Profit and Loss:

(All amounts are in Indian Rupees Lakhs)

Sr. No.	Particulars	Note	For the period / year ended			
			August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
	<b>Net profit after tax as per audited financial statements</b>		621.06	716.04	125.57	70.99
A.	<b>Adjustments:</b>					
	<b>Material Restatement Adjustments</b>					
	Changes in Depreciation		(79.33)	(189.71)	(181.32)	0.50
	<b>i. Audit Qualifications: None</b>					
	<b>ii. Other material adjustments</b>					
	Changes in DTA & Tax		32.59	54.97	54.10	8.40
	Changes in Gratuity Expenses		2.10			
	<b>iii. Deferred tax adjustments on the above</b>	<b>I, II</b>	<b>(44.63)</b>	<b>(134.74)</b>	<b>(127.22)</b>	<b>8.90</b>
	<b>Total impact of adjustments</b>		<b>(44.63)</b>	<b>(134.74)</b>	<b>(127.22)</b>	<b>8.90</b>
	<b>Net profit after tax as per Restated Standalone Statement of Profit and Loss (Refer Annexure II)</b>		<b>576.43</b>	<b>581.30</b>	<b>(1.66)</b>	<b>79.89</b>

- ii. Summarized below are the restatement adjustments made to the Restated financial statements for the years ended August 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 and their impact on the Restated Other Equity:

(All amounts are in Indian Rupees Lakhs)

Sr. No.	Particulars	Note	For the period / year ended			
			August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
	<b>Reserve and Surplus as per Audited Financial Statements</b>		<b>1,433.17</b>	<b>812.11</b>	<b>1,107.73</b>	<b>982.16</b>

Sr. No.	Particulars	Note	For the period / year ended			
			August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
	<b>Adjustments:</b>					
	Changes in Profit due to depreciation impact		(321.27)	(272.39)	(135.53)	
	Recognition of gratuity liability in the Restated Financial Statements			(4.24)	(2.13)	(8.32)
	<b>i. Audit Qualifications : None</b>			-	-	-
	<b>ii. Other material adjustments</b>					
	Tax pertaining to earlier years	I		-	-	-
	<b>iii. Deferred tax adjustments on the above</b>	II		-	-	-
	<b>Total (A)</b>		<b>(321.27)</b>	<b>(276.63)</b>	<b>(137.66)</b>	<b>(8.32)</b>
	<b>Adjustments on account of changes in accounting policies:</b>					
	<b>(ii) Other material adjustments</b>					
		I	-	-	-	-
	<b>(iii) Deferred tax adjustments on the above</b>	II		-	-	-
	<b>Total (B)</b>		-	-	-	-
	<b>Total impact of adjustments (A+B)</b>		<b>(321.27)</b>	<b>(276.63)</b>	<b>(137.66)</b>	<b>(8.32)</b>
	<b>Reserves and Surplus as per Restated Summary Statement of Assets and Liabilities (Refer Annexure I)</b>		<b>1,111.91</b>	<b>535.48</b>	<b>970.07</b>	<b>973.84</b>

A. Auditor's Comment in the Company Auditor's Report Order - Non-adjusting items : No applicable

#### Annexure XI

#### Restated Statement of Capitalization

(All amounts are in Indian Rupees Lakhs)

Particulars	Pre-Issue	Post-Issue
<b>Borrowings</b>		
Short term debt (A)	4,236.82	*
Long term debt (B)	7,017.96	*
<b>Total debts (C)</b>	<b>11,254.78</b>	*
<b>Shareholder's funds</b>		
Equity share capital	1,234.49	*
Reserve & surplus-as restated	1,111.91	*
<b>Total shareholders' funds</b>	<b>2,346.39</b>	*
<b>Short term debt / shareholders' funds</b>	<b>1.81</b>	*



Long term debt / shareholders' funds	2.99	*
Total debt / shareholders' funds	4.80	*

\*the corresponding post issue figure not determinable as Public issue pending for publication.

## Annexure XI

### Tax Shelter, as restated

(All amounts are in Indian Rupees Lakhs)

Sr. No.	Particulars	For the period / year ended			
		August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>A.</b>	<b>Restated Profit before tax</b>	<b>752.56</b>	<b>761.69</b>	<b>-10.83</b>	<b>94.49</b>
	Normal Corporate Tax Rates (%)	25.17%	25.17%	25.17%	25.17%
	<b>MAT Tax Rates (%)</b>	<b>16.69%</b>	<b>16.69%</b>	<b>16.69%</b>	<b>16.69%</b>
<b>B.</b>	<b>Tax thereon (including surcharge and education cess)</b>				
	Tax on normal profits	189.42	191.72	-	23.78
	<b>Total</b>	<b>189.42</b>	<b>191.72</b>	<b>-</b>	<b>23.78</b>
	<b>Adjustments:</b>				
<b>C.</b>	<b>Permanent Differences</b>				
	Deduction allowed under Income Tax Act	182.23	305.04	235.76	33.18
	Exempt Income				-
	Allowance of Expenses under the Income Tax Act Section 35				-
	Disallowance of Income under the Income Tax Act				-
	Disallowance of Expenses under the Income Tax Act				
	<b>Total Permanent Differences</b>	<b>182.23</b>	<b>305.04</b>	<b>235.76</b>	<b>33.18</b>
<b>D.</b>	<b>Timing Differences</b>				
	Difference between Depreciation as per Income tax, 1961 and Companies Act 2013				-
	Provision for Gratuity disallowed	2.1	-	-	-
	Expense disallowed u/s 43B	-	-	-	-
	<b>Total Timing Differences</b>	<b>2.1</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>E.</b>	<b>Net Adjustments E= (C+D)</b>	<b>184.33</b>	<b>305.04</b>	<b>235.76</b>	<b>33.18</b>
<b>F.</b>	<b>Tax expense/(saving) thereon</b>	<b>46.40</b>	<b>76.78</b>	<b>59.34</b>	<b>8.35</b>
<b>G.</b>	<b>Total Income/(loss) (A+E)</b>	<b>936.89</b>	<b>1066.73</b>	<b>224.94</b>	<b>127.66</b>
	Taxable Income/ (Loss) as per MAT				
<b>H.</b>	<b>Income Tax as per normal provision</b>	<b>235.82</b>	<b>268.50</b>	<b>56.62</b>	<b>32.13</b>
<b>I.</b>	<b>Income Tax under Minimum Alternative Tax under Section 115 JB of the Income Tax Act</b>	<b>125.62</b>	<b>127.13</b>	<b>0</b>	<b>15.77</b>
	Net Tax Expenses (Higher of I,J)	235.82	268.50	56.62	32.13
<b>J.</b>	<b>Relief u/s 90/91</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Total Current Tax Expenses	235.82	268.50	56.62	32.13
<b>K.</b>	<b>Adjustment for Interest on income tax/ others</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Total Current Tax Expenses	<b>235.82</b>	<b>268.50</b>	<b>56.62</b>	<b>32.13</b>

## OTHER FINANCIAL INFORMATION

### Restated Summary Statements of Other Information

*(All amounts are in Indian Rupees Lakhs)*

Particulars	For the period / year ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Net Profit after tax as Restated (A)	576.43	581.30	(1.66)	79.89
Add: Depreciation	182.23	305.04	235.76	33.18
Add: Finance Cost	263.88	707.90	284.06	167.66
Add: Income Tax/ Deferred Tax	176.14	180.38	(9.16)	14.60
Less: Other Income	(10.56)	(35.54)	(98.91)	(58.38)
EBITDA	1,188.11	1,739.09	410.09	236.94
EBITDA Margin (%)	12.31%	9.11%	3.09%	1.97%
Net Worth as Restated (B)	2,655.40	1,769.97	1,085.82	1,089.62
Return on Net worth (%) as Restated (A/B)	21.71%	32.84%	(0.15%)	7.33%
Equity Share at the end of year (in Nos.) (C)	1,23,44,868	1,23,44,868	11,57,486	11,57,486
Weighted No. of Equity Shares (in Nos.) (D)	1,23,44,868	1,23,44,868	11,57,486	11,57,486
Weighted No. of Equity Shares Considering Bonus & Split Impact (E)	1,23,44,868	1,23,44,868	1,04,17,374	1,04,17,374
(Post Bonus after restated period with retrospective effect)				
Basic & Diluted Earnings per Equity Share as Restated (A/D)	4.67	4.71	(0.02)	0.77
Net Asset Value per Equity Shares as Restated (B/C)	21.51	14.34	93.81	94.14
Net Asset Value per Equity Shares as Restated after considering Bonus with retrospective effect (B/E)	21.51	14.34	10.42	10.46

## CAPITALISATION STATEMENT

*(All amounts are in Indian Rupees Lakhs)*

Particulars	Pre-Issue	Post-Issue
<b>Borrowings</b>		
Short term debt (A)	4,236.82	*
Long term debt (B)	7,017.96	*
<b>Total debts (C)</b>	<b>11,254.78</b>	<b>*</b>
<b>Shareholder's funds</b>		
Equity share capital	1,234.49	*
Reserve & surplus-as restated	1,111.91	*
<b>Total shareholders' funds</b>	<b>2,346.39</b>	<b>*</b>
<b>Short term debt / shareholders' funds</b>	<b>1.81</b>	<b>*</b>
<b>Long term debt / shareholders' funds</b>	<b>2.99</b>	<b>*</b>
<b>Total debt / shareholders' funds</b>	<b>4.80</b>	<b>*</b>

\*the corresponding post issue figure not determinable as Public issue pending for publication.

## FINANCIAL INDEBTEDNESS

Our Company has availed borrowings in the ordinary course of our business. Set forth below is a brief summary of our aggregate outstanding borrowings as on August 31, 2024 and December 31, 2024:

(₹ in lakhs)

Nature of Borrowing	As on August 31, 2024
Secured Borrowings	7,264.76
Unsecured Borrowings	3,990.02
<b>Total</b>	<b>11,254.78</b>

### Details of Secured Borrowings:

Sr. No.	Name of the Lender	Purpose	Sanctioned Date	Validity/ Loan Tenure (Months)	ROI	Sanctioned Amount (₹ in Lakhs)	Outstanding Amount as on August 31, 2024 (₹ in Lakhs)	Outstanding Amount as on December 31, 2024 (₹ in Lakhs)
1.	Fund based borrowing							
i.	Term Loans							
	HDFC Bank	Construction Equipment Non Infra Loan	February 20, 2024	Repayable in 82 months	9.5%	928.00	879.86	849.35
		Construction Equipment Non Infra Loan		Repayable in 81 months	9.5%	2400.00	2000.00	2349.55
	Citi Bank	Term Loan	February 11, 2024	Repayable in 145 months	9.3%	202.00	79.26	72.57
ii.	Working Capital							
	HDFC Bank	#Cash Credit	February 20, 2024		9.3%	3500.00	3239.34	3365.60
		Letter of Credit (Sublimit)				800.00		
		Pre Shipment Credit(Sublimit)			9.3%	150.00		
		Post Shipment Credit (Sublimit)			9.3%	150.00		
		Bank Guarantee (Sublimit)				400.00	68.82	202.76
	Shriram Finance Limited	Purchase Invoice Discounting	February 15, 2024		13.0%	1000.00	997.48	999.37

Sr. No.	Name of the Lender	Purpose	Sanctioned Date	Validity/ Loan Tenure (Months)	ROI	Sanctioned Amount (₹ in Lakhs)	Outstanding Amount as on August 31, 2024 (₹ in Lakhs)	Outstanding Amount as on December 31, 2024 (₹ in Lakhs)
		<i>(Short-Term Working Capital Loan)</i>						
2.	Non-Fund based borrowings							
	HDFC Bank	Letter of Credit	February 20, 2024			200.00	0.00	0.00

#The Cash Credit Facility from HDFC Bank limited amounts to Rs. 3,500.00 lakhs, includes a Letter of Credit Limit of Rs. 800.00 Lakhs, a Pre shipment credit limit of Rs. 150 Lakhs, Post shipment credit limit up to Rs. 150 Lakhs and Bank guarantee limit up to Rs. 400.00 Lakhs.

#### Primary Security:

Stock and Book Debts of the Company, Book Debts of the Company present and future, entire Movable Assets of Company including proposed Plant, self-occupied Commercial Office, Residential Property, existing Unit 1 land & building, proposed Unit 2 land & building.

#### Collateral Security:

Personal guarantees of Rajesh Agarwal, Amisha Agarwal, Sweta Agarwal, property owner, entire movable assets of Company including proposed plant, 3M DSRA of proposed term loan for Unit 2, Stock & Book Debts of the Company, Book Debts of the Company present and future.

#### Details of Un-secured Borrowings:

##### i. From related parties:

Parties	Nature of facility	Outstanding Amount as on August 31, 2024 (₹ in Lakhs)	Outstanding Amount as on December 31, 2024 (₹ in Lakhs)
Amisha Agarwal	Loan repayable on demand	84.07	84.67
Puspa Agarwal	Loan repayable on demand	73.67	73.67
Rajesh Agarwal (HUF)	Loan repayable on demand	7.25	7.25
Rajesh Agarwal	Loan repayable on demand	76.25	133.35
Seagate Speciality Products Private Limited	Loan repayable on demand	2,875.19	3,425.37
Sweta Agarwal	Loan repayable on demand	37.66	69.34
Harshiel Agarwal	Loan repayable on demand	2.40	0.98

Formal terms of repayment in relation to the unsecured loans mentioned above have not been defined as the loans are taken from related parties.

ii. From Others:

Name of the Lender	Purpose	Sanctioned Date/ Agreement Date	Validity/ Loan Tenure (Months)	ROI	Sanctioned Amount (₹ in Lakhs)	Outstanding Amount as on August 31, 2024 (₹ in Lakhs)	Outstanding Amount as on December 31, 2024 (₹ in Lakhs)
ASHV Finance Ltd	Business	August 13, 2023	36	19.5%	30.00	22.4	19.47
Bajaj Finance	Business	August 18, 2023	48	18.0%	46.72	37.27	33.81
Clix Capital	General Business/Working Capital	August 29, 2023	24	17.5%	40.18	23.28	16.66
HDFC Car Loan	Business	August 30, 2023	60	8.35%	80.70	66.72	61.99
Poona Wala Fin Corp	Business	August 26, 2023	36	17.0%	40.00	29.99	25.94
Shriram Finance	Business	August 29, 2023	36	18.0%	50.00	35.61	30.44
Ugro Capital Ltd	Business	August 30, 2023	36	18.0%	50.75	37.90	32.73
Unity Small Finance	Business	August 27, 2023	36	17.0%	51.00	38.06	32.83
Protium Finance Limited	Business	August 31, 2023	24	18.0%	40.00	23.43	21.30
Protium Finance Limited	Machinery Finance	November 30, 2023	60	18.0%	204.31	145.65	132.43
Protium Finance Limited	Machinery Finance	November 2, 2023	60	18.0%	95.68	73.37	66.71
Pooja Fabrics Private Limited	Business			12.0%		55.00	55.00
Electronica Finance	Purchase of Asset	July 1, 2024	48	9.4%	206.50	202.78	187.96
HDFC Hyundai Creta N Line	Business	May 13, 2024	24	9.0%	21.90	21.04	19.85
HDFC Hyundai Creta N Line	Business	May 13, 2024	24	9.0%	21.90	21.04	19.85

## MANAGEMENTS' DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the period ended on August 31, 2024 and financial year ended March 31, 2024, March 31, 2023 and March 31, 2022. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled "*Financial Information*" and the chapter titled "*Restated Financial Statements*" on page no. 194 of this Draft Red Herring Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "*Risk Factors*" on page no. 27 of this Draft Red Herring Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled "*Forward-Looking Statements*" on page no. 19 of this Draft Red Herring Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Statements. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Saffron Speciality Papers Limited, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for the period ended on August 31, 2024 and for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 included in this Draft Red Hearing Prospectus beginning on page no. 194.

### **Business Overview**

We are a manufacturer and exporter of printed paper stationery and Back-to-School paper stationery, catering to clients in both domestic and international markets. Our specialization lies in producing customized as well as mass-produced Back-to-School stationery and printed paper products with various finishing, embellishments, and binding options.

In line with evolving market trends, we have recently introduced an environmentally friendly and biodegradable range of notebooks under the "EcoNama" brand, specifically for the domestic market. With nearly one and a half decades of experience in the printed paper stationery industry and a fully integrated in-house production facility, we offer a wide array of products for schools, banks, corporates, and government departments.

Our company also provides commercial printing services to a diverse clientele, including corporates, banks, government departments, and trusts. A significant portion of these orders is secured through participation in tenders. With over two and a half years of experience in this segment, we are now eligible to bid for most tenders floated by potential customers in the BFSI, government, and private corporate sectors.

### **Expansion into Paper Packaging**

Recognizing the significant growth potential and better margin opportunities in the packaging industry, Saffron Speciality Papers Ltd. has ventured into the paperboard and printed packaging segment. In December 2024, we commenced operations in this segment, utilizing our state-of-the-art printing machines, including advanced models such as KBA and Heidelberg.

Initially, we are targeting corporate clients in the Electrical, Ecommerce, and Food industries, with plans to expand into other sectors such as pharmaceuticals, rigid boxes, tamper-proof cartons, and gift boxes. Our expertise in print technology enables us to offer innovative, high-quality, and eco-friendly packaging solutions.

The paper packaging market is experiencing rapid growth due to rising environmental awareness and increasing demand for sustainable solutions. By entering this segment, we aim to capitalize on this trend and provide eco-friendly packaging that meets modern industry requirements. We are empaneled as vendors for some of the reputed Indian brands in Electrical, Ecommerce and Food sectors. These achievements reaffirm our strategic decision to foray into Paper Packaging.

We operate from our Unit 1 manufacturing facility, located at Village Amna, Tehsil Bhiwandi, District Thane, Maharashtra. Unit 1 houses:

- a. Machinery for Back-to-School stationery and commercial printing.
- b. Approximately two-three months' stock of raw materials.
- c. Finished product inventory.
- d. Packaging materials and other consumables.
- e. Office space for management, design, accounts, and operational staff.

To address space constraints and support the machinery requirements for the new Paper Packaging segment, we are establishing Unit 2, adjacent to Unit 1. Unit 2 will decongest Unit 1, ensuring smoother operations across all business segments. This facility is partially funded through a term loan from HDFC Bank and partially funded by the net proceeds of this issue.

For further details, refer to the sections “*Our Business*” and “*Objects of the Issue*” on page nos. 135 and 84, respectively, of this Draft Red Herring Prospectus.

### Financial Performance

Since its inception, our company has demonstrated remarkable growth. Our revenue has increased from ₹1 crore in 2008 to ₹190 crore in FY 2024, representing a 19x growth. This consistent growth is attributed to:

- a. Increasing market demand.
- b. Successful execution of strategies to expand into high-margin business segments.
- c. Strong customer relationships.
- d. Investments in long-term assets to enhance production capacity.

With a strong foundation, a diverse portfolio, and strategic expansions, Saffron Speciality Papers Ltd. is well-positioned to capitalize on future growth opportunities.

### Key Performance Indicators of our Company:

The following table sets forth certain Key Ratios and business parameters analysis for the periods indicated:

(Rs. In lakhs, unless mentioned otherwise)

Sr. No.	Metric	As at or for the Period/Financial Year ended			
		August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
1.	Revenue from Operations	9,641.04	19,054.60	13,158.43	11,979.82
2.	Growth in Revenue from Operations (%)	21.43%*	44.81%	9.84%	8.32%
3.	Gross Product Sales	9,641.04	19,054.60	13,158.43	11,979.82
4.	Gross Profit	2,063.36	3,483.121	1,071.57	848.65
5.	Gross Margin (%)	21.40%*	18.28%	8.14%	7.08%
6.	EBITDA	1,188.11	1,739.08	410.09	236.94
7.	EBITDA Margin (%)	12.32%*	9.13%	3.12%	1.98%
8.	Profit after Tax (PAT)	576.43	581.30	(1.66)	79.88
9.	PAT Margin (%)	5.98%*	3.05%	(0.01%)	0.67%
10.	Inventory turnover ratio (times)	5.57*	5.42	5.05	6.45
11.	Current Ratio (times)	1.71	2.35	1.95	1.68
12.	Trade receivable turnover ratio (times)	4.31*	5.78	9.35	10.31
13.	RoE (%)	52.10%*	32.84%	(0.15%)	7.33%
14.	RoCE (%)	27.16%*	21.91%	6.26%	9.27%
15.	Debt-Service Coverage Ratio (DSCR) (times)	1.88	1.67	1.44	1.13



Sr. No.	Metric	As at or for the Period/Financial Year ended			
		August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
16.	Gross Fixed Assets Turnover (times)	6.20*	5.78	7.27	22.67
17.	Debt to Equity Ratio (times)	4.92	5.89	6.12	4.56
18.	Debt to Quasi Equity Ratio (times)	1.70	1.46	2.90	3.13
19.	Working Capital days	~121 Days	~148 Days	~86 Days	~89 Days
	<b>Gross Product Sales break up by Geography</b>				
	a. Domestic	6,793.16	10,911.66	6,331.95	7,407.15
	b. Overseas	2,847.88	8,142.94	6,826.48	4,572.67
	<b>Gross Product Sales break up by product category</b>				
	a. Back-to-school Paper Stationery	5,099.59	12,807.00	9,007.34	10,323.96
	b. Commercial Printing	4,529.06	6,207.22	4,001.67	1,643.14
	c. Sale of License	12.39	40.38	149.42	12.72

\*Annualized

Notes:

- Revenue from operations is calculated as revenue from sale of products and other operating income as per the Restated Financial Information.
- Growth in revenue from operations is calculated as a percentage increase/(decrease) in revenue from operations of current Fiscal year compared to previous Fiscal year.
- Gross Product Sales is calculated as revenue from sale of products as per the Restated Financial Information, gross of sales incentives, rebates, and discounts.
- Gross Profit is calculated as revenue from operations for the period less cost of goods sold for the period. Cost of goods sold is taken as a sum of purchase of stock-in-trade and change in inventories of stock-in-trade plus direct expenses, while Gross Profit Margin is the percentage of Gross Profit divided by revenue from operations for the period.
- EBITDA is calculated as profit for the year plus tax expense, depreciation and amortization and finance cost less other income for the period, while EBITDA margin is the percentage of EBITDA divided by revenue from operations for the period.
- PAT represents total profit for the year as per the Restated Financial Information. PAT Margin is percentage of PAT divided by revenue from operations for the period.
- Inventory turnover ratio is calculated as Cost of goods sold divided by Average of opening and closing inventory for the period
- Current ratio is calculated as Current assets divided by Current liabilities.
- Trade receivable turnover ratio is calculated as Revenue from operations divided by Average of opening and closing trade receivables for the period.
- ROE is calculated as a percentage of PAT divided by total equity at the end of the year as per the Restated Financial Information.
- Return on Capital Employed is calculated as Net operating income divided by Capital employed, where Net operating income is PBT plus Finance costs and Capital employed is Total Tangible Asset plus Total Debt and Deferred Tax.
- DSCR is calculated as PBT plus Finance cost plus Depreciation charge divided by Finance cost plus Total Principal Repayment due for payment within the period
- Gross Fixed Assets Turnover Ratio is Revenue from operations divided by average of opening and closing of Gross Fixed Assets (excluding capital work in progress)
- Debt to Equity Ratio is calculated as total outside liability divided by Total Tangible Net-worth
- Debt to Quasi Equity Ratio is calculated as ratio of total outside liabilities less unsecured loans contributed by Related Parties to Total Tangible Net worth plus unsecured loans contributed by Related Parties

16. Working capital days refers to inventory days plus trade receivables days less trade payable days. Inventory days have been calculated as inventory at the end of the year divided by cost of goods sold multiplied by 365 for the complete fiscal year. Trade receivables days have been calculated as trade receivables divided by revenue from operations multiplied by 365 days for the complete fiscal years. Trade payables days have been calculated as trade payables divided by consumption of raw material multiplied by 365 days for the complete fiscal years.

### EBITDA and EBITDA Margin

EBITDA is defined as our profit/loss before tax, finance cost and depreciation and amortization charge. Profit/loss before tax margin is defined as profit/loss before tax divided by revenues from operations. EBITDA margin is defined as our EBITDA as a percentage of revenues from operations. The following table reconciles our profit/loss before tax to EBITDA for the periods indicated.

(Rs. In lakhs)

Particulars	For the year / period ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Restated (loss) / profit after tax	576.42	581.29	(1.66)	79.88
<b>Add:</b> Total Tax Expense	176.14	180.39	(9.16)	14.60
Profit before Tax	752.56	761.68	(10.83)	94.49
<b>Add:</b> Finance Costs	263.88	707.90	284.06	167.66
<b>Add:</b> Depreciation and amortization expenses	182.23	305.04	235.76	33.18
<b>Less:</b> Other Income	10.56	35.54	98.91	58.38
Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA)	1188.11	1739.08	410.09	236.94
Revenue from operations	9641.04	19054.60	13158.43	11979.82
EBITDA Margin %	12.32*	9.13	3.12	1.98

\*Annualized

It is evident from above data that EBITDA in value terms and EBITDA Margin in % terms are improving over the last 3 years primarily due to increase in revenues from commercial printing segment in total revenue from operations. As per Industry trends, paper stationery segment is more competitive due to presence of many players from organized sector as well as large numbers of players from unorganized segment and is also more price sensitive due to mass consumer preferences limiting our profit margin in this segment. On the other hand, Commercial Printing segment, where most of the orders are originated through participation in tender process, is more dominated by players from organized sector limits the competition from player in unorganized sector due to requirement of fulfilment of eligibility criteria of tenders as well as limited geographical reach of many of the players and is considered as more value addition product segment with trend of high margin realization. Due to commonalities of raw materials, manpower integration and usage of common recourses during manufacturing process in both the segment i.e. paper stationery segment and commercial printing segment, it is not feasible to work out segment wise EBITDA contribution for past years. However, based on available industry trend and as per our management analysis for the past trend, EBITDA margin fluctuates in the range of 3% to 5% in paper stationery segment whereas the same fluctuates in the range of 10% to 14% in commercial printing segment. However, as the same time, debtors' realization is longer in commercial printing segment as compared to paper stationery segment resulting in higher working capital requirement. Refer Section 'Enhancing Working Capital Requirement – sub section Key assumptions and justification for Holding Period Levels' under chapter "Objects of the Issue" on page no. 84 of this Draft Red Herring Prospectus.

## Installed Production Capacity and the Capacity Utilization

The installed capacity and capacity utilization of our Company for past years are as under:

(in metric tonnes)

Business Segment	August 31, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Installed Capacity	Capacity Utilization	Installed Capacity	Capacity Utilization	Installed Capacity	Installed Capacity	Capacity Utilization	Installed Capacity
Notebook Segment	21300	7990	21300	17040	21300	14910	14910	10140
Commercial Printing Segment	32553	5890	20040	11765	12780	5586	NA	NA

Installed capacity is as certified by RD Ashtaputre, Chartered Engineer, by certificate dated December 23, 2024 and capacity utilization is as certified by the Management dated January 27, 2025.

## Capex done in past 3 years:

The Overall capex done by our Company in past are as under:

(Rs. In lakhs)

Particulars	For the year / period ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Building	0.00	8.04	377.38*	0.00
WIP – Building	1922.17	336.57	0.00	1,619.54
Plant & Machinery	377.84	282.61	321.15	5.96
Other/miscellaneous fixed assets	0.00	1.58	3.82	0.00
Computers	2.72	2.56	0.13	0.36
Other Equipment	0.00	27.46	243.30	0.51
<b>Total</b>	<b>2302.73</b>	<b>658.82</b>	<b>945.78</b>	<b>1626.37</b>

Source: Restated Balance sheet

\*Excluding capital work-in-progress reported previous year, which was capitalized as fixed assets during the year.

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factor” beginning on page no. 27 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:-

## Factors affecting our Results of Operations

Microeconomic factors affecting the operations of the Company

- Changes, if any, in the regulations / regulatory framework / environmental impact factors / economic policies in India and / or in foreign countries, which affect national and/or international business conditions.
- Fluctuations in exchange rates, potentially impacting profit margins under export business segment
- Ability to source raw materials on sustainable basis at competitive prices
- Ability to retain our skilled personnel;
- Performance of Company’s competitors;
- Monitoring and analyzing the performance of competitors as well as new players entering in the market to stay competitive and identify areas for improvement;
- ability to retain existing clients and attract new ones can significantly impact our revenue and market share;
- Constant monitoring of emerging technologies.
- Managing operations of the company to efficiently manage working capital requirement of our company

## Our Significant Accounting Policies

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled “Restated Financial Statements” beginning on page no. 194 of this Draft Red Herring Prospectus.

## **Presentation of Financial Information**

These Restated Financial Information have been Prepared by the management and examined by the Statutory Auditors M/s. SKVM Company from:

Audited financial statements for the period ended on August 31, 2024 prepared in accordance with Indian GAAP notified under Companies Act, 2013 specified under section 133 of the Act and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on January 4, 2025.

Audited financial statements for the year ended on March 31, 2024, prepared in accordance with Indian GAAP notified under Companies Act, 2013 specified under section 133 of the Act and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on September 5, 2024.

Audited financial statements for the year ended on March 31, 2023, prepared in accordance with Indian GAAP notified under Companies Act, 2013 specified under section 133 of the Act and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on September 5, 2023.

Audited financial statements as at and for the year ended March 31, 2022 prepared in accordance with Indian GAAP notified under Companies Act, 2013 specified under section 133 of the Act and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on September 5, 2022.

The financial information for the period ended on August 31, 2023, March 31, 2024, March 31, 2023 and March 31, 2022 included in such Restated Financial Information have been prepared by the management by preparing Ind AS financial statements wherein Ind-AS transition / restatement adjustments have been made to the audited financial statements of the Company and prepared in accordance with the Indian accounting standards as notified under Companies Act, 2013, which has been approved by the Board of Directors at their meeting held on January 16, 2024. The optimizing policies have been consistently applied by our Company in preparation of the Restated Financial Information and are consistent with those adopted in the preparation of financial statements for the period ended on August 31, 2023 and March 31, 2024.

The Restated Financial Information have been prepared so as to contain information / disclosures and incorporating adjustments set out below in accordance with the SEBI ICDR Regulations:

### **Overview of Revenue & Expenditure:**

Our revenue and expenses are reported in the following manner:

#### **Revenues**

Revenue of operations

We are manufacturer and exporter of Printed Paper Stationery and Back-to-School Paper Stationery, serving clients domestically as well as outside India. We specialize in customized as well as mass-produced Back-to-School Paper Stationery and Printed Paper Stationery products with various finishing, embellishments, and binding options. Our Company also provides commercial printing services to various customers including corporate clients, banks, government department/ organizations, trusts, etc.

We are also recognized as Two-Star Export House by Directorate General of Foreign Trade, Department of Commerce, in accordance with the provisions of the Foreign Trade Policy, 2023, which is valid up to March 31, 2028. Against the export, we get license to import goods and services at concessional import custom duty Since we are not importing any goods and services, we can sell this license to other entity who does not have export but importing goods and services allowing them to pay concessional import custom duty on their import. Small portion of our company's revenues comes from such sale of license activity.

Thus, our principal component of revenue from operations is generated from sale of Back-to-School Notebook and Paper Stationery, Commercial Printing and sales of License.

## Revenue bifurcation:

(Rs. In lakhs)

Category	August 31, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations
Export Sales of Paper and Stationery	2,835.49	29.41%	8,102.56	42.52%	6,677.06	50.74%	4,559.95	38.06%
Domestic Sales of Paper and Stationery	2,264.10	23.48%	4,704.44	24.69%	2,330.28	17.71%	5,764.01	48.11%
Domestic Sales of Commercial Printing*	4,529.06	46.98%	6,207.22	32.58%	4,001.67	30.41%	1,643.14	13.72%
Sales Of License **	12.39	0.13%	40.38	0.21%	149.42	1.14%	12.72	0.11%
<b>Total</b>	<b>9,641.04</b>	<b>100.00%</b>	<b>19,054.60</b>	<b>100.00%</b>	<b>13,158.43</b>	<b>100.00%</b>	<b>11,979.82</b>	<b>100.00%</b>

\*Our Company started this business segment from April 2021. We started our own manufacturing of Commercial Printing Segment in Unit -1 from October 2022. We aim to grow our commercial printing operations to capitalize on the expanding Indian economy and the increased demand for printed materials. Commercial printing generally offers higher margins compared to notebooks and paper stationery business segment; due to the premium we can charge with limited additional input resources.

\*\* We are also recognized as Two-Star Export House by directorate general of foreign trade under Ministry of commerce and industry of Government of India. Against the export, we get license to import goods and services at concessional import custom duty Since we are not importing any goods and services, we can sell this license to other entity who does not have export but importing goods and services allowing them to pay concessional import custom duty on their import. Small portion of our company's revenues comes from such sale of license activity.

Our Company's revenues from operations are growing considerably during review period. However, the revenues from Commercial Printing segment are growing more rapidly than those from Paper Stationery segment as company is focusing more to expand this business segment resulting into increase in proportionate revenues from commercial printing in total revenues from the operations of our company.

## Geographical Sales Split Up:

(Rs. In lakhs)

Category	August 31, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations
Export	2,847.88	29.54%	8,142.94	42.73%	6,826.48	51.88%	4,572.67	38.17%
Domestic	6,793.16	70.46%	10,911.66	57.27%	6,331.95	48.12%	7,407.15	61.83%
<b>Total</b>	<b>9,641.04</b>	<b>100.00%</b>	<b>19,054.60</b>	<b>100.00%</b>	<b>13,158.43</b>	<b>100.00%</b>	<b>11,979.82</b>	<b>100.00%</b>

Our export sales are predominantly to African countries. We have also ventured into other markets such as Middle East and Central American countries. With increase in domestic sales driven by revenues from commercial printing segment, the proportionate share of export sales has declined in last almost two and a half years i.e. FY 2023 onwards.

Export sales of paper and stationery exhibit relatively stronger traction in the second half of the year, as the major school openings are typically scheduled for this period. As a result, the majority of Export revenue is recognized in the second half of the financial year.

## Other Income

Our other income mainly comprises of interest income from fixed deposits placed in banks (primarily as cash margin for non-fund credit limits availed from the Banks), duty drawbacks from customs, miscellaneous income, etc.

(Rs. In lakhs)

Particulars	For the year / period ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Other income</b>				
Interest income from banks deposits	0.86	11.29	10.79	5.31
Interest received from Others	0.12	0.21	--	1.87
Other non-operating income	9.58	24.04	88.12	51.2
<b>Total Other Income</b>	<b>10.56</b>	<b>35.54</b>	<b>98.91</b>	<b>58.38</b>

Proportion of Revenues from Operations and Other Income in Total Income is represented below:

(Rs. In lakhs)

Particulars	For the year / period ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Income</b>				
Revenue from operations	9,641.04	19,054.60	13,158.43	11,979.82
As a % of total Income	99.89%	99.81%	99.25%	99.52%
Other Income	10.56	35.54	98.91	58.38
As a % of Total Income	0.11%	0.19%	0.75%	0.48%
<b>Total Income</b>	<b>9,651.60</b>	<b>19,090.14</b>	<b>13,257.34</b>	<b>12,038.20</b>

#### Expenditure

Our expenses comprise of cost of materials consumed, Changes in inventories of Finished Goods, work in progress, employee benefit expenses, other manufacturing expenses, other expenses and finance costs as well as non-cash expenses in the form of depreciation & amortization expenses.

#### Cost of Material consumed

Cost of material constitutes largest share in the range of 60% to 70% of cost of sales of our company as per historical trend. Our cost of material includes purchase of raw materials such as reels of papers of different varieties, board papers and various consumables such as inks of various colors, glue, films, etc. Major portion of the cost of material is consumed for purchase of paper reels and paper boards, which constitutes in the range of 75% to 80% of total cost of materials and 60% to 70% for cost of sales as per historical trends.

#### Employment Benefit Expenses

Our employee benefit expenses mainly include wages & salaries to labours & employee, bonuses, Directors Remuneration, PF & Gratuity contribution and staff welfare expenses, etc.

#### Finance Costs:

Our finance costs mainly include interest paid to Bank, NBFCs and other unrelated entity on secured & unsecured credit facilities provided to our company, interest paid on unsecured loans contributed by the promoters and promoter group as well as Charges and Commission, Processing fees, paid to Bank & NBFCs, etc.

#### Depreciation and amortization expenses

Depreciation and amortization expenses majorly comprise depreciation on Building, plant & equipment, Fixture & furniture, Computers, Motor car, Motor bike & other miscellaneous fixed assets.

## Other Expenses

It includes Professional Fees, consultancy charges, , Insurance expenses, legal expenses, selling & distribution expenses and office / administration expenses, inward & outward freight expenses, rent paid, service charges and travelling & conveyance charges, etc.

## Our Results of Operations

The following table sets forth selected financial data from our Restated Statement of profit and loss for the period ended on August 31, 2024, and for the Financial Years ended on March 31, 2024, 2023 and 2022, the components of which are also expressed as a percentage of total income for such period/financial years:

(Rs. In lakhs)

Category	August 31, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Amount	% of total income	Amount	% of total income	Amount	% of total income	Amount	% of total income
<b>Revenues</b>								
Revenues from operations	9,641.04	99.89%	19,054.60	99.81%	13,158.43	99.25%	11,979.82	99.52%
Other Income	10.56	0.11%	35.54	0.19%	98.91	0.75%	58.38	0.48%
<b>Total Income</b>	<b>9,651.60</b>	<b>100.00%</b>	<b>19,090.14</b>	<b>100.00%</b>	<b>13,257.34</b>	<b>100.00%</b>	<b>12,038.20</b>	<b>100.00%</b>
<b>Expenses:</b>								
Cost of materials consumed	6366.35	65.96%	15023.73	78.70%	10995.07	82.94%	12220.80	101.52%
Changes in inventories of Finished Goods, WIP and stock in trade.	351.28	3.64%	(1124.15)	(5.89%)	188.19	1.42%	(1544.80)	(12.83%)
Employee benefits expense	399.93	4.14%	813.28	4.26%	365.39	2.76%	222.40	1.85%
Finance costs	263.88	2.73%	707.90	3.71%	284.06	2.14%	167.66	1.39%
Depreciation and amortization expense	182.23	1.89%	305.04	1.60%	235.76	1.78%	33.18	0.28%
Other expenses	1335.37	13.84%	2602.66	13.63%	1199.69	9.05%	844.48	7.02%
<b>EBIDTA</b>	<b>1188.11</b>	<b>12.32%*</b>	<b>1739.08</b>	<b>9.13%*</b>	<b>410.09</b>	<b>3.12%*</b>	<b>236.94</b>	<b>1.98%*</b>
Total Expense	<b>8899.04</b>	<b>92.20%</b>	<b>18328.46</b>	<b>96.01%</b>	<b>13268.16</b>	<b>100.08%</b>	<b>11943.72</b>	<b>99.22%</b>
<b>Profit / (loss) before tax</b>	<b>752.56</b>	<b>7.80%</b>	<b>761.68</b>	<b>3.99%</b>	<b>-10.82</b>	<b>-0.08%</b>	<b>94.48</b>	<b>0.78%</b>
<b>Tax Expense</b>								
Current Tax	189.42	1.96%	191.72	1.00%	0	0.00%	23	0.19%
Deferred tax (credit)/charge	-13.28	-0.14%	-11.33	-0.06%	-9.16	-0.07%	-8.4	-0.07%
<b>Total Tax Expense</b>	<b>176.14</b>	<b>1.82%</b>	<b>180.39</b>	<b>0.94%</b>	<b>-9.16</b>	<b>-0.07%</b>	<b>14.6</b>	<b>0.12%</b>
<b>Profit for the year/period</b>	<b>576.42</b>	<b>5.97%</b>	<b>581.29</b>	<b>3.04%</b>	<b>-1.66</b>	<b>-0.01%</b>	<b>79.88</b>	<b>0.66%</b>

\*EBITDA is reported as profit before interest, depreciation and tax less other income and further % of revenue from operation.

## Review of Operations for the Period Ended August 31, 2024

### Income

Our Revenues from Operations for the period ended August 31, 2024 was Rs. 9,641.04 Lakhs which is 99.89% of the total Income, which includes revenue from domestic sales and exports sales.

## Expenditure

Total Expenditure for the period ended August 31, 2024 was Rs. 8,899.04 Lakhs which was about 92.20 % of the total income and which includes cost of material consumed, employee benefit expenses, finance cost, depreciation & amortization expenses and other expenses.

### Cost of Material consumed

Our cost of material for the period ended August 31, 2024 was Rs. 6366.35 Lakhs which was about 65.96% of the total income. Relatively, our % cost of material consumed has gone down compared to previous years on account of increase in proportionate sales in Commercial Printing segment, which has better margin realization as compared to Notebook/ Back-to School segment products.

### Changes in inventories of finished goods & Stock in Trade

Change in inventories of finished goods & stock in trade for the period ended August 31, 2024 was Rs. 351.28 Lakhs (increase) which was about 3.64 % of the total income.

### Employee Benefit Expense

Our employee benefits expenses for the period ended August 31, 2024 were Rs. 399.93 Lakhs which was about 4.14% of the total income and which include salaries, wages, allowances, Directors Remuneration, Gratuity, Bonus and Staff Welfare expenses.

### Profit before Interest, Depreciation and Tax

Profit before Interest, Depreciation and Tax for the period ended August 31, 2024 were Rs. 1188.11 Lakhs which was about 12.32% of the total income. The Profit before Interest, Depreciation and Tax increased to 12.32% from 9.13% on account of shift in business concentration to higher margin segment i.e. Commercial Printing.

### Finance Costs

Our Financial costs for the period ended August 31, 2024 were Rs. 263.88 Lakhs which was about 2.73% of the total income which includes Bank interest/ charges/ commission, etc.

### Depreciation and Amortization Expense

Depreciation for the period ended August 31, 2024 were Rs. 182.23 Lakhs which was about 1.89% of the total income and which consists of depreciation and amortization expenses.

### Other Expenses

Our other expenses for the period ended August 31, 2023 were Rs. 1,335.37 Lakhs which was about 13.84% of the total income and which includes consumption of stores & spare-parts, commission on sales, power & fuel, contract wages, transport charges, plate making expenses, travel & conveyance, labour charges, export freight charges, etc.

### Net Profit after Tax and Extraordinary items

Net Profit after Tax and Extraordinary items for the period ended August 31, 2024 were Rs. 576.42 Lakhs which was about 5.97% of the total income.



## **Fiscal Year Ended March 31, 2024 compared with the Fiscal Year Ended March 31, 2023**

### **Income**

Revenues from Operations increased by Rs. 5,896.17 Lakhs and 44.81% from Rs. 13,158.43 Lakhs in the fiscal year ended March 31, 2023 to Rs. 19,054.60 Lakhs in the fiscal year ended March 31, 2024. The increase in revenue is mainly on account of increase in revenue from operations in Commercial Printing segment.

As stated above, Commercial Printing generally offers higher margins compared to Notebooks / Back-to-School Stationery business segment due to the premium, hence our Company started focusing its business growth in Commercial Printing segment. Percentage of revenue from commercial printing operations was at 46.98% in the FY 2023-24, when compared to previous FY 2022-23 i.e. at 32.58%.

### **Expenditure**

Total Expenditure increased by Rs. 5,060.30 Lakhs i.e. 38.13 %, from Rs. 13,268.16 Lakhs in the fiscal year ended March 31, 2023 to Rs. 18,328.46 Lakhs in the fiscal year ended March 31, 2024. Overall expenditure increased mainly due to increase in the cost of material Consumed to achieve the increased production volumes to fulfill the work orders, change in inventory, Employee Benefit Expenses to support the higher production volumes, finance cost and other expenses.

### **Cost of Material consumed**

Our cost of material consumed increased by Rs. 4,028.66 Lakhs and 36.64% from Rs. 10,995.07 Lakhs in the fiscal year ended March 31, 2023 to Rs. 15,023.73 Lakhs in the fiscal year ended March 31, 2024. Cost of material consumed increased on account of increase in production volumes with increase in installed capacity and increase in work orders raw material consumption have increased in absolute terms.

### **Changes in inventories of finished goods & Stock in Trade**

Change in inventories of finished goods, work-in-progress & stock in trade for the period ended March 31, 2024 was at Rs. (1,124.15) Lakhs (increase), which was about 5.89% of the total income. The change in inventory was comparatively higher in FY 2024 on account of higher closing stock due to increasing business in Commercial Printing segment requiring our company to order not only in higher quantity but also in more variety of paper reels, paper boards, etc. as well as increased finished goods stock for orders in Commercial Printing segment, which is pending to be dispatched to clients.

### **Employee Benefit Expense**

Employee Benefit Expenses increased by Rs. 447.89 Lakhs i.e. 122.57% from Rs. 365.39 Lakhs in the fiscal year ended March 31, 2023 to Rs. 813.28 Lakhs in the fiscal year ended March 31, 2024. Overall employee cost was increased due to director's remuneration and hiring more employees to support the increased capacity / higher production as well as increase in salary and staff welfare expenses.

### **Profit before Interest, Depreciation and Tax**

Profit before Interest, Depreciation and Tax increased by Rs. 1328.99 Lakhs from Rs. 410.09 Lakhs in the fiscal year ended March 31, 2023 to Rs. 1739.08 Lakhs in the fiscal year ended March 31, 2024. Profit before Interest, Depreciation and Tax increased due to multiple factors such as improvement in operating efficiency in Unit 1, better price realization, however primary factor is our company's focused on Commercial Printing segment, which is more profitable business, Due to our efforts, our company has added new customers in this segment resulting into higher sales proportion from commercial printing segment in total revenues from operations during the year.

### **Finance Costs**

Our finance costs increased by Rs. 423.84 Lakhs and 149.20 % from Rs. 284.06 Lakhs in the fiscal year ended March 31, 2023 to Rs. 707.90 Lakhs in the fiscal year ended March 31, 2024. The increase was mainly on account of Bank interest/ charges/ commissions, which is due to increasing in borrowed funds raised by us to support increased business operations to meet the short term as well as long term funds requirement.

#### Depreciation and Amortization Expense

Depreciation in terms of value increased by Rs. 69.28 Lakhs i.e. 29.39% from Rs. 235.76 Lakhs in the fiscal year ended March 31, 2023 to Rs. 305.04 Lakhs in the fiscal year ended March 31, 2024. Our company has made sizable capex during FY 2024 resulting into levy of higher depreciation charge during the year.

#### Other Expenses

Other Expense increased by Rs. 1,402.97 Lakhs i.e. Rs. 116.94% from Rs. 1199.69 Lakhs in the fiscal year ended March 31, 2023 to Rs. 2,602.66 Lakhs in the fiscal year ended March 31, 2024. The increase in overall operations of our Company including increase in consumption of stores & spare-parts, commission on sales, machinery spare-parts, power & fuel, repairs & maintenance, printing expenses, contract wages, transport charges, plate making expenses, travel & conveyance, labour charges, export freight charges, custom duty on imports, etc.

#### Net Profit after Tax and Extraordinary items

Net Profit has increased by Rs. 582.96 Lakhs from Loss of Rs.1.66 Lakhs in the fiscal year ended March 31, 2023 to profit of Rs. 581.29 Lakhs in the fiscal year ended March 31, 2024. Net Profit has increased primarily in line with the increase in Profit before interest, depreciation & tax as per reasons explained above.

## **Fiscal Year Ended March 31, 2023 compared with the Fiscal Year Ended March 31, 2022**

### **Income**

Revenue from Operations increased by Rs. 1,178.61 Lakhs i.e. 9.83 % from Rs. 11,979.82 Lakhs in the fiscal year ended March 31, 2022 to Rs. 13,158.43 Lakhs in the fiscal year ended March 31, 2023. The increase in revenue from operation is due to introduction of new business segment i.e. Commercial Printing.

### **Expenditure**

Total Expenditure increased by 1,324.45 Lakhs i.e. 11.09 %, from Rs. 11,943.71 Lakhs in the fiscal year ended March 31, 2022 to Rs. 13,268.16 Lakhs in the fiscal year ended March 31, 2023. Overall expenditure increased due to increase in the cost of material Consumed to achieve the increased production volumes to fulfill the work orders, change in inventory, Employee Benefit Expenses to support the higher production volumes, finance cost and other expenses.

### **Cost of Material consumed and change in inventory**

Our cost of material consumed including change in inventory increased by 4.75% from Rs. 10676.00 Lakhs the fiscal year ended March 31, 2022 to Rs. 11183.26 Lakhs in the fiscal year ended March 31, 2023. The change is on account of increase in business volume of our company.

### **Employee Benefit Expense**

Employee Benefit Expenses increased by Rs.142.99 Lakhs and 64.29% from Rs. 222.40 Lakhs in the fiscal year ended March 31, 2022 to Rs. 365.39 Lakhs in the fiscal year ended March 31, 2023. Overall employee cost was increased due to hiring more employees to support the increased capacity / higher production as well as increase in salary, wages & allowances.

### **Profit before Interest, Depreciation and Tax**

Profit before Interest, Depreciation and Tax has increased by Rs. 173.15 Lakhs and 73.08% from Rs.236.94 Lakhs in the fiscal year ended March 31, 2022 to Rs. 410.09 Lakhs in the fiscal year ended March 31, 2023. The improvement in EBIDTA is primarily on account of increase in sales volume as well as realization of better profit margin in newly started Commercial Printing segment.

### **Finance Costs**

Our finance costs increased by Rs. 116.40 Lakhs i.e. 69.43% from Rs. 167.66 Lakhs in the fiscal year ended March 31, 2022 to Rs. 284.06 Lakhs in the fiscal year ended March 31, 2023. The increase was due to increase in Bank interest/ charges/ commissions on account of increase in borrowing funds raised by us to meet the short & long term fund requirement for business operations

### **Depreciation and Amortization Expense**

Depreciation in terms of value increased by Rs. 202.58 Lakhs and 610.66% from Rs. 33.18 Lakhs in the fiscal year ended March 31, 2022 to Rs. 235.76 Lakhs in the fiscal year ended March 31, 2023. Increase in depreciation is mainly due to addition of Manufacturing Unit 1, plant & equipment and other equipment.

### **Other Expenses**

Other Expense was increased by Rs. 355.21 Lakhs and 42.06% from Rs.844.48 Lakhs in the fiscal year ended March 31, 2022 to Rs.1,199.69 Lakhs in the fiscal year ended March 31, 2023. The increase in overall operations of our Company including increase in consumption of stores & spare-parts, commission on sales, machinery spare-parts, power & fuel, repairs & maintenance, printing expenses, contract wages, transport charges, plate making expenses, travel & conveyance, labour charges, export freight charges, custom duty on imports, etc.

## Loss after Tax and Extraordinary items

Loss of Rs. 1.66 Lakhs was reported in the fiscal year ended March 31, 2023 as compared to Net Profit of Rs. 79.88 lakhs in Financial Year ended March 31, 2022. Our Company reported loss in Financial Year 2023 on account of increase in finance cost (primarily availed fresh loans for part financing setting up own manufacturing facility of our company i.e. Unit 1) and upon completion of construction of Unit 1, capitalization of the capex incurred, depreciation cost has increased resulting into despite reporting growth in EBIDTA, our company booked Loss during the year.

## Cash Flows

(Rs. In lakhs)

Particulars	For the year / period ended			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Net Cash from Operating Activities	2231.53	(1136.23)	(391.58)	(1891.97)
Net Cash from Investing Activities	(2502.04)	(683.82)	(591.41)	(81.37)
Net Cash from Financing Activities	242.35	1717.14	1111.17	1861.47

### Cash Flows from Operating Activities

For the period ended August 31, 2024

Our net cash from operating activities for period ended August 31, 2024 was at Rs.2231.53 lakhs as compared to the Profit before Tax at Rs.752.56 lakhs. Our operating profit before working capital changes was Rs.1332.64 lakhs which was primarily adjusted against decrease in Inventories by Rs.351.28 lakhs, increase in trade receivables by Rs.1219.99 lakhs, decrease in other current asset by Rs.237.10 lakhs, increase in trade payables by Rs.291.18 lakhs, decrease in other current liabilities by Rs.72.97 lakhs, increase in short term loans & advances by Rs.605.52 lakhs, increase in short term borrowing by Rs.1734.67 and increase in short term provisions by Rs.183.14 lakhs.

For the financial year ended March 31, 2024

Our net cash from operating activities for period ended March 31, 2024 was at Rs. (1136.23) lakhs as compared to the profit before Tax at Rs.761.69 lakhs. Our operating profit before working capital changes was Rs.1734.79 lakhs which was primarily adjusted against increase in Inventories by Rs.1124.15 lakhs, increase in trade receivables by Rs.2918.03 lakhs, decrease in other current asset by Rs.4.72 lakhs, increase in trade payables by Rs.124.93 lakhs, increase in other current liabilities by Rs.77.73 lakhs, increase in short term loans & advances by Rs.134.23 lakhs, increase in short term borrowing by Rs.1001.01 and increase in short term provisions by Rs.97.00 lakhs.

For the financial year ended March 31, 2023

Our net cash from operating activities for period ended March 31, 2023 was at Rs. (391.58) lakhs as compared to the loss before Tax at Rs. (10.83) lakhs. Our operating profit before working capital changes was Rs.520.46 lakhs which was primarily adjusted against decrease in Inventories by Rs.188.19 lakhs, increase in trade receivables by Rs.858.89 lakhs, increase in other current asset by Rs.241.82 lakhs, increase in trade payables by Rs.232.39 lakhs, increase in other current liabilities by Rs.28.39 lakhs, increase in short term loans & advances by Rs.127.32 lakhs, decrease in short term borrowing by Rs.129.61 lakhs and decrease in short term provisions by Rs.3.37 lakhs.

For the financial year ended March 31, 2022

Our net cash from operating activities for period ended March 31, 2022 was at Rs. (1891.97) lakhs as compared to the profit before Tax at Rs. 94.49 lakhs. Our operating profit before working capital changes was Rs.51.91 lakhs which was primarily adjusted against increase in Inventories by Rs.1544.81 lakhs, decrease in trade receivables by Rs.368.83 lakhs, increase in other current asset by Rs.1270.58 lakhs, increase in trade payables by Rs.2.21 lakhs, increase in other current liabilities by Rs.5.56 lakhs, decrease in short term loans & advances by Rs.486.61 lakhs and increase in short term provisions by Rs.8.30 lakhs.

## Cash Flows from Investment Activities

For the period ended August 31, 2024

For the period ended August 31, 2024, the net cash invested in Investing Activities was Rs. (2502.04) lakhs. This was mainly on account of capital expenditure incurred by our company towards purchase of property, plant and equipment of Rs.456.34 lakhs, purchase of other tangible Asset & capital work-in-progress of Rs.1922.18 lakh, purchase of other non-current investment of Rs.122.55 lakhs, booking of deferred tax asset of Rs.1.95 lakhs and receipt of interest of Rs.0.98 lakhs.

For the financial year ended March 31, 2024

For the period ended March 31, 2024, the net cash invested in Investing Activities was Rs. (683.82) lakhs. This was mainly on account of capital expenditure incurred by our company towards purchase of property, plant and equipment of Rs.417.03 lakhs, purchase of other tangible Asset & capital work-in-progress of Rs.336.57 lakh, sale of other non-current investment of Rs.60.43 lakhs, booking of deferred tax asset of Rs.2.17 lakhs and receipt of interest of Rs.11.50 lakhs.

For the financial year ended March 31, 2023

For the period ended March 31, 2023, the net cash invested in Investing Activities was Rs. (591.41) lakhs. This was mainly on account of capital expenditure incurred by our company towards purchase of property, plant and equipment of Rs.557.03 lakhs, booking of deferred tax asset of Rs.8.40 lakhs and sales of investment of Rs.42.79 lakhs.

For the financial year ended March 31, 2022

For the period ended March 31, 2022, the net cash invested in Investing Activities was Rs. (81.37) lakhs. This was mainly on account of capital expenditure incurred by our company towards purchase of property, plant and equipment of Rs.6.82 lakhs, receipt of interest of Rs.7.13 lakhs and sales of investment of Rs.81.67 lakhs.

## Cash Flows from Financing Activities

For the period ended August 31, 2024

For the period ended August 31, 2024, the net cash from financing activities was Rs. 242.35 lakhs. This was mainly on account of proceeds from long term borrowings of Rs.506.23 lakhs, which is netted for repayment of term loan installments due during the year and Interest paid of Rs.263.88 lakhs.

For the financial year ended March 31, 2024

For the period ended March 31, 2024, the net cash from financing activities was Rs. 1717.14 lakhs. This was mainly on account of proceeds from long term borrowings of Rs.2425.03 lakhs, which is netted for repayment of term loan installments due during the year and Interest paid of Rs.707.90 lakhs.

For the financial year ended March 31, 2023

For the period ended March 31, 2023, the net cash from financing activities was Rs. 1111.17 lakhs. This was mainly on account of proceeds from long term borrowings of Rs.1444.69 lakhs, proceeds from issue of share capital on premium of Rs.40.70 lakhs, which is netted for repayment of term loans installments due during the year and Interest paid of Rs.292.83 lakhs.

For the financial year ended March 31, 2022

For the period ended March 31, 2022, the net cash from financing activities was Rs. 1861.47 lakhs. This was mainly on account of proceeds from long term borrowings of Rs.2029.13 lakhs, which is netted for repayment of term loans installments due during the year and, Interest paid of Rs.167.66 lakhs.

**Information required as per item (II) (C) (I) of Part A of Schedule VI to the SEBI Regulations:**

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

**Unusual or infrequent events or transactions**

Except as described in this Draft Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

**Significant economic changes that materially affected or are likely to affect income from continuing operations**

Except for any change in economic policy affecting our industry in India and our international markets, there are no other significant economic changes that may materially affect or likely to affect income from continuing operations.

**Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section “*Risk Factors*” beginning on page no. 27 in the Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations

**Future changes in relationship between costs and revenues**

Our Company’s future costs and revenues will be determined by growth in various factors including but not limited to change in consumption pattern in industry in which we operate, ability to execute our growth & marketing strategy effectively, success of introduction of new target markets, new business segment, operational efficiency of units, efficiency in managing working capital needs of our businesses etc.

**Whether the company has followed any unorthodox procedure for recording sales and revenues Our Company has not followed any unorthodox procedure for recording sales and revenues.**

Never

**Future changes in relationship between costs and revenues, in case of events such as future increase in employees or material costs or prices that will cause a material change are known**

Our Company’s future costs and revenues can be impacted by an increase in employee costs as the Company looks to hire talent with new skills and capabilities.

**Future relationship between Costs and Income**

Our Company’s future costs and revenues will be determined by competition, demand/supply situation, Policies of Indian Government as well as Foreign Government of our target markets, foreign exchange rates and interest rates charged by banks & others.

**Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**

Increases in our revenues are by and large linked to increases in the volume of business in paper stationery segment and introduction of new business segment of commercial printing.

**Total turnover of each major industry segment in which the issuer company operates**

The Company is operating in paper printing based products. Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page no. 110 of this Draft Red Herring Prospectus.

**Status of any publicly announced new products or business segments**

Our Company has not announced any new services and product and segment / scheme, other than disclosure in this Draft Red Herring Prospectus.

**The extent to which the business is seasonal**

Our Company's business is currently segmented into two verticals namely note-book / back-to school stationery and commercial printing. The academic session for India runs from April to March and for African countries (pre-dominantly our export countries) runs from mid-January to mid-December, hence our Notebook / Back-to-School Paper Stationery segment is not seasonal. Moreover, Commercial Printing segment runs throughout the year. However, our company's order book may remain higher before Diwali festival and before Christmas/ New Year particularly in commercial printing segment.

**Any significant dependence on a single or few suppliers or customers**

Details of dependence is mentioned in the chapter titled "*Our Business*" beginning on page no. 84 of this Draft Red Herring Prospectus.

**Competitive Conditions**

There are no listed companies in India that engage in all business segments in which our Company operates. Accordingly, it is not possible to provide a comparison of key performance indicators of the industry with our Company.

**Significant Developments Subsequent to the Last Financial Year and Stub Period**

There are no circumstances have arisen since the period ended August 31, 2024 being the date of the last financial statements as disclosed in this Draft Red Herring Prospectus until the date of filing this Draft Red Herring Prospectus, which materially or adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months, except:

- a. Further allotment dated November 19, 2024 on private placement basis of 9,09,083 Equity Shares of Face Value of Rs. 10 each at Issue Price of Rs. 99 per share by our Company, which was ongoing as on August 31, 2024. For further details refer Chapter titled '*Capital Structure*' and '*Restated Financial Statement*' on page nos. 70 and 194 of this Draft Red Herring Prospectus.

## SECTION VIII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*There are no outstanding (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) any other pending litigations which has been determined to be material pursuant to the Materiality Policy (as disclosed herein below), against our Company, its Directors, its Promoters and our Group Company (collectively referred to as the 'Relevant Parties'). Further there is no disciplinary actions including penalties imposed by SEBI or stock exchanges against our Promoter in last five financial years including outstanding action.*

*For the purpose of (iv) above, our Board in its meeting held on December 21, 2024 has considered all pending litigations (other than litigations mentioned in points (i) to (iii) above) involving the Relevant Parties as 'material' if the aggregate monetary claim/dispute amount/liability by or against the Relevant Parties, in any such pending litigation exceeds 5% of the Revenue of our Company as per the audited previous full year financial statements, being Rs. 482.58 lakhs.*

*Our Company, our Promoter and/or our Directors, have not been declared as willful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI.*

#### A. LITIGATION INVOLVING THE COMPANY

##### I. Litigation proceedings initiated against our Company

###### a. Criminal proceedings

Nil

###### b. Actions by statutory or regulatory authorities

Nil

###### c. Disciplinary Actions by Authorities

Nil

###### d. Tax proceedings involving our Company

Nil

###### e. Other material proceeding against our Company

Nil

##### II. Litigation proceedings filed by our Company

###### a. Criminal proceedings

Nil

###### b. Actions against statutory or regulatory authorities

Nil

###### c. Contesting against any Disciplinary Actions by Authorities

Nil



**d. Tax proceedings involving our Company**

Nil

**e. Other material proceeding by our Company**

Nil

**B. LITIGATIONS INVOLVING THE PROMOTERS & DIRECTORS OF THE COMPANY**

**I. Litigation proceedings initiated against our Promoters**

**a. Criminal proceedings**

Nil

**b. Actions by statutory or regulatory authorities**

Nil

**c. Disciplinary Actions by Authorities**

Nil

**d. Tax proceedings involving our Company**

Nil

**e. Other material proceeding against our Company**

Nil

**II. Litigation proceedings filed by our Promoters**

**a. Criminal proceedings**

Nil

**b. Actions against statutory or regulatory authorities**

Nil

**c. Contesting against any Disciplinary Actions by Authorities**

Nil

**d. Tax proceedings involving our Company**

Nil

**e. Other material proceeding by our Company**

Nil

**III. Litigation proceedings initiated against our Directors**

**a. Criminal proceedings**

Nil

**b. Actions by statutory or regulatory authorities**

Nil

**c. Disciplinary Actions by Authorities**

Nil

**d. Tax proceedings involving our Company**

Nil

**e. Other material proceeding against our Company**

Nil

**IV. Litigation proceedings filed by our Directors**

**a. Criminal proceedings**

Nil

**b. Actions against statutory or regulatory authorities**

Nil

**c. Contesting against any Disciplinary Actions by Authorities**

Nil

**d. Tax proceedings involving our Company**

Nil

**e. Other material proceeding by our Company**

Nil

**C. LITIGATIONS INVOLVING THE GROUP COMPANIES OF THE COMPANY**

**I. Litigation proceedings initiated against our Group Company**

**a. Criminal proceedings**

Nil

**b. Actions by statutory or regulatory authorities**

Nil

**c. Disciplinary Actions by Authorities**

Nil

**d. Tax proceedings involving our Company**

Nil

**e. Other material proceeding against our Company**

Nil

**II. Litigation proceedings filed by our Group Company**

**a. Criminal proceedings**

Nil

**b. Actions against statutory or regulatory authorities**

Nil

**c. Contesting against any Disciplinary Actions by Authorities**

Nil

**d. Tax proceedings involving our Company**

Nil

**e. Other material proceeding by our Company**

Nil

**D. Amounts owed to small scale undertakings and other creditors:**

In accordance with SEBI ICDR Regulations, our Company vide Board Resolution dated December 21, 2024, has considered a creditor 'material' if the amount due to the creditors exceeds 5% of the Revenue of our Company as per the audited previous full year financial statements being Rs. 482.58 lakhs as per the FY 2023-24.

As of August 31, 2024, outstanding dues to material creditors (micro, small and medium enterprises and other creditors) is as follows:

(₹ in lakhs)		
<b>Types of creditors</b>	<b>Number of creditors</b>	<b>Amount involved</b>
Total outstanding dues to micro and small & medium enterprises	-	-
Total outstanding dues to creditors other than micro and small & medium enterprises	-	-
Total outstanding dues to Material Creditors	-	-

The details pertaining to outstanding dues to Material Creditors, along with the name and amounts involved for each such Material Creditor, are available on the website of our Company at <https://saffronindia.net/pdf/Material-Creditors.pdf>.

**E. Material developments occurring after last balance sheet date:**

Except as disclosed in Chapter titled "Our Business" and "Management's Discussion & Analysis of Financial Conditions & Results of Operations" beginning on page nos. 135 and 235 respectively of this Draft Red Herring Prospectus, there have been no material developments that have occurred after the last Balance Sheet date.

## GOVERNMENT AND OTHER STATUTORY APPROVALS

*We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Draft Red Herring Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.*

*In view of the approvals listed below, we can undertake this Issue and our current/new business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.*

*The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:*

### **Approvals in relation to our Company's incorporation**

1. Certificate of Incorporation dated April 15, 2008 issued by the Assistant Registrar of Companies, Maharashtra, Mumbai under the Companies Act, 1956 as "Albatross Speciality Papers Private Limited" (Company registration number U51396MH2008PTC181181).
2. Fresh Certificate of Incorporation dated January 28, 2011, pursuant to change from 'Albatross Speciality Papers Private Limited' to 'Saffron Speciality Papers Private Limited' issued under the Companies Act, 2013 by the Deputy Registrar of Companies, Maharashtra, Mumbai.
3. Fresh Certificate of Incorporation dated September 17, 2024, pursuant to conversion to a public limited company as "Saffron Speciality Papers Limited" issued by Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies, Central Processing Centre, under the Companies Act, 2013 (Company registration number U51396MH2008PLC181181).

### **Approvals in relation to the Issue**

#### Corporate Approvals

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on December 14, 2024 authorized the Issue, subject to the approval by the shareholders of our Company under section 62(1)(c) of the Companies Act, 2013.
2. Our shareholders have, pursuant to a resolution dated December 18, 2024, under Section 62(1)(c) of the Companies Act, 2013, authorized the Issue.

#### Approvals from Stock Exchange

1. Our Company has received in- principle listing approval from the SME Platform of the BSE Limited dated [•] for listing of Equity Shares issued pursuant to the Issue.

#### Other Approvals

1. The Company has entered into a tripartite agreement May 10, 2024 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is NSDL Database Management Limited for the dematerialization of its shares.
2. The Company has entered into an agreement dated March 06, 2024 with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is NSDL Database Management Limited, for the dematerialization of its shares.

## Approvals / licenses / permissions in relation to our Business

### Tax Related Approvals

Sr. No.	Description	Registration Number	Issuing Authority	Date of Expiry
1.	Permanent Account Number (PAN)	AAHCA1361J	Income Tax Department	Valid till Cancellation
2.	Tax Deduction and Collection Account Number (TAN)	PNES31704B	Income Tax Department	Valid till Cancellation
3.	GST Registration Certificate	27AAHCA1361J1ZQ	Maharashtra Goods and Services Tax Act, 2017	Valid till Cancellation
4.	Professional Tax Registration Certificate	27210680142P*	DS Maharashtra Goods and Services tax Department	Valid till Cancellation
5.	Professional Tax Enrolment Certificate	99371731413P	DS Maharashtra Goods and Services tax Department	Valid till Cancellation

\*Application have been made by the Company for change of name post conversion to Public Limited Company.

### Registrations related to Labour Laws:

Sr. No.	Description	License Number	Issuing Authority	Date of Expiry
1.	Registration under Employee State Insurance Act (ESIC)	34000813580000802	Employees' State Insurance Corporation	Valid till cancellation
2.	Registration under the Employees Provident fund (EPF)	THTHA2050832000*	Employees' Provident Fund Organization	Valid till cancelled

\*Application have been made by the Company for change of name post conversion to Public Limited Company.

### Business Related Approvals:

#### A. For Registered Office (Existing Manufacturing Facility Unit 1) and Corporate Office:

Sr. No.	Description	Address	License Number	Issuing Authority	Date of Expiry
1.	Registration under Maharashtra Shops and Establishments (Regulation of employment and conditions of Service Act)	B-205, Cello Triumph Road, Goregaon West, Mumbai-400063	820347031/PS Ward/ Commercial II	Maharashtra Shop and Establishments (Regulations of Employment and conditions of Services) Act, 2017	Valid till cancellation
2.	Factory License	Survey No. 53, Hissa No. 29, 75/2 and 77/5, Padgha Road, Village	121701811200S-3	Government of Maharashtra	December 31, 2027

Sr. No.	Description	Address	License Number	Issuing Authority	Date of Expiry
		Aamne, Near Indian Petrol Pump, Opp. Toll Warehouse, Bhiwandi, Thane 421302			
3.	Importer-Exporter code	Survey no. 53, Hissa 29, 75/2 and 77/5 at Village Aamne, Near Indian Petrol Pump – Opp TOLL Ware House, Taluka Bhiwandi Dist-Thane, Bhiwandi, Thane, Maharashtra, 421302	0308035372	O/o Additional Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	Valid till cancelled
4.	Legal Entity Identifier Code	-	335800DVVB5M8 QAFUL72	Legal Entity Identifier India Limited	July 21, 2025
5.	Udyam Registration Certificate	B-205, Cello Truimph, I.B. Patel Road, Block B, Goregaon East, Mumbai Suburban, Maharashtra, 400063	UDYAM-MH-18-0025358	Ministry of Micro, Small and Medium Enterprise, Government of India	Valid till cancelled
6.	Consent to Establish and Operate u/s 26 of the Water (Prevention & Control of Pollution) Act 1974, 21 of the Air (Prevention & Control of Pollution) Act 1981 and Rule 6 of Hazardous & Other Waste (Management & Transboundary Movement) Rules 2016	S. NO. 53, H.N.29, 75/2 and 77/5, Village Aamne, T. Bhiwandi, Dist. Thane 421302	MPCB-CONSENT000015 2245*	Maharashtra Pollution Control Board	November 30, 2025
7.	Two Star Export House	-	MUMSTATAPPL Y00001340AM24	Additional Director General of Foreign Trade	March 31, 2028
8.	FSC Chain of Custody Certificate	Survey No. 53, Hissa 29, 75/2 and 77/5 at Village Aamne, Bhiwandi 421302	FSC-STD-40-004	FSC	May 19, 2029




\*Application have been made by the Company for change of name post conversion to Public Limited Company.

B. For New Manufacturing Facility (Unit 2):

Sr. No.	Description	Address	License Number	Issuing Authority	Date of Expiry
1.	Permission to use land for Non-Agricultural purpose	Survey No. 74 and Survey No.75/1, Moje Aamne, Bhiwandi, Thane, Maharashtra	R. No. Revenue/K-1/TE-8/B.P. /Aamne-Bhiwandi/ SR-57/2022	Collector's Office Thane	One Year from Date of Issue
2.	Factory License	Survey No. 74 ,75 Hissa No. 1, Near Indian Petrol Pump, Opp. Toll Warehouse, Padgha Road, Village Aamne, Bhiwandi, Thane 421302	1117018112007-4	Government of Maharashtra	December 31, 2029
3.	Consent to Establish	Survey No. 74, 75, Hissa No. 1, Near Indian Petrol Pump, Opp. Toll Warehouse, Padgha Road, At Village Aamne, Tal. Bhiwandi, Dist. Thane 421302	MPCB-CONSENT-0000224853	Maharashtra Pollution Control Board	December 10, 2029

**Intellectual Property**

Trademarks registered/objected/abandoned in the name of our Company

Sr. No.	Logo / Trade Mark	Class	Application No.	Application by	Date of Application	Authority	Current Status
1.		16	6748325	Saffron Speciality papers Ltd	December 10, 2024	Trade Mark registry Intellectual Property India	Formalities Chk Pass
2.	EcoNama	16	6750116	Saffron Speciality papers Ltd	December 10, 2024	Trade Mark registry Intellectual Property India	Formalities Chk Pass
3.	EcoNama	35	6750118	Saffron Speciality papers Ltd	December 10, 2024	Trade Mark registry Intellectual Property India	Formalities Chk Pass
4.		16	5888826	Saffron Speciality papers Ltd	April 12, 2023	Trade Mark registry Intellectual Property India	Objected - Awaiting Reply to Examination Report
5.		16	5888821	Saffron Speciality papers Ltd	April 12, 2023	Trade Mark registry Intellectual Property India	Objected - Awaiting Reply to Examination Report
6.		16	5888822	Saffron Speciality papers Ltd	April 12, 2023	Trade Mark registry Intellectual	Objected - Awaiting Reply to Examination

Sr. No.	Logo / Trade Mark	Class	Application No.	Application by	Date of Application	Authority	Current Status
						Property India	Report
7.		16	5888823	Saffron Speciality papers Ltd	April 12, 2023	Trade Mark registry Intellectual Property India	Objected - Awaiting Reply to Examination Report
8.		16	5888824	Saffron Speciality papers Ltd	April 12, 2023	Trade Mark registry Intellectual Property India	Objected - Awaiting Reply to Examination Report
9.		16	5888825	Saffron Speciality papers Ltd	April 12, 2023	Trade Mark registry Intellectual Property India	Objected - Awaiting Reply to Examination Report

Domain Name

Sr. No.	Domain Name and ID	Owner	Registrar Name, IANA ID	Creation Date	Expiration Date
1.	www.saffronindia.net	Saffron Speciality Papers Private Limited	PDR Ltd., 303	March 12, 2012	March 12, 2028
2.	www.econama.in	Saffron Speciality Papers Private Limited	BDM Infotech	December 6, 2024	December 6, 2034

**Licenses/Registrations applied by Company and are pending for approval:**

1. The Company has applied for combined Fire NOC vide Application no. MFS/PRO/KON/24092024/164 dated October 04, 2024.

**Licenses/Registrations yet to be applied:**

1. The Company is yet to apply for GST Registration Certificate for Additional Place of Business.
2. The Company is yet to apply for Consent to Operate for Unit 2 as we need to install all the machinery and submit the request thereafter.
3. The Company is yet to apply for change of name in Profession Tax Enrolment Certificate.



## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on December 14, 2024 subject to the approval of the shareholders of the Company and such other authorities, as may be necessary.

The shareholders of the Company have, pursuant to a special resolution passed in the Extra Ordinary General Meeting held on December 18, 2024 called at a shorter notice authorized the Issue under Section 62(1)(c) of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.

### **In-Principle Listing Approval**

We have received in principle approval from BSE vide their letter dated [•] to use the name of BSE Limited in the Offer Document for listing of our Equity Shares on SME Platform of BSE. BSE is the Designated Stock Exchange for the purpose of this Issue.

### **Prohibition by SEBI or other Governmental Authorities**

We confirm that our Company, our Directors, our Promoters, members of Promoter Group, or the persons in control of our Company have not been prohibited from accessing the capital market or debarred from buying, selling or dealing in securities, under any order or directions by the SEBI or any other regulatory or government authorities.

Neither our Company, nor Promoter, nor Promoter Group, nor any of our Directors or persons in control of our Company are/ were associated as promoter, directors or persons in control of any other Company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.

There are no violations of securities laws committed by any of them in the past and no such proceedings are currently pending against any of them.

None of our Directors are associated with the securities market and no action has been taken by the SEBI against the Directors or any other entity with which our directors are associated as promoters or director.

Further none of our Promoters or Directors has been declared as fugitive economic offender under Fugitive Economic Offenders Act, 2018.

The listing of any securities of our Company has never been refused by any of the stock exchanges in India.

### **Prohibition by RBI**

Neither our Company, nor our Promoters or Directors have been identified as a wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.

Neither our Company, our Promoters or our Directors have been declared as a fraudulent borrower by any bank, financial institution or lending consortium, in accordance with the 'Master Directions on Fraud-Classification and Reporting by commercial banks and select FIs' dated July 1, 2016, as updated, issued by the RBI.

### **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 Red Herring Prospectus.

### **Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018**

Our Company, our Promoters and Promoter Group follows the Companies (Significant Beneficial Ownership) Rules, 2018 ("SBO Rules"), to the extent applicable, as on the date of this Draft Red Herring Prospectus.

## Eligibility for the Issue

Our Company is an “Unlisted Company” in terms of the SEBI (ICDR) Regulation; and this Issue is an “Initial Public Issue” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible in terms of Regulations 230 of SEBI ICDR Regulations for this Issue.

This Issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company whose post-issue face value capital is more than ten crore rupees and up to twenty-five crore rupees, shall offer shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (‘SME Exchange’), in this case being the SME Platform of BSE Limited i.e. BSE SME.

As per Regulation 229(3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of SME platform of the BSE in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

- a. The Issuer should be a Company incorporated under the Companies Act 1956/ 2013:

Our Company was incorporated under the Companies Act, 1956.

- b. The post issue paid up capital of the company (face value) shall not be more than ₹25.00 Crores:

As on the date of this Draft Red Herring Prospectus, the paid-up capital (face value) of the Company is ₹ 1325.40 Lakhs comprising of 1,32,53,951 Equity Shares and we are proposing an issue of up to 54,00,000 Equity Shares of ₹ 10/- each aggregating to ₹ [•] Lakhs. Hence, the Post Issue Paid up Capital will be less than ₹2,500.00 Lakhs.

- c. Net-worth should be positive

As per the Restated Financial Statements, our Company’s net worth was ₹ 2,655.40 lakhs, ₹ 1,769.97 lakhs, ₹ 1,085.82 lakhs and ₹ 1,089.62 lakhs as on August 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 respectively.

- d. Net tangible Asset should be Rs. 3 crores in last preceding (full) financial year:

As per the Restated Financial Statements, our Company’s net tangible asset was ₹ 15,650.60 lakhs and Rs. 12,122.78 lakhs as on August 31, 2024 and March 31, 2024 respectively.

- e. Track record of at least 3 years:

Our Company was originally established in April 15, 2008. Hence, our Company is in existence for a period of 16 years on the date of filing the Draft Red Herring Prospectus with BSE.

- f. Should have Operating Profit (earnings before Interest, Depreciation and Tax) of ₹ 1 Crore from Operations for any 2 out of 3 previous financial years:

As per the Restated Financial Statements, our Company’s operating profit (earnings before interest, depreciation and tax) from operations for the period ended August 31, 2024 and for the Financial Year ended March 31, 2024, March 31, 2023 and March 31, 2022:

(₹ in Lakhs)

Particulars	For the period ended August 31, 2024	FY 2023-24	FY 2022-23	FY 2021-22
Profit before Tax	752.56	761.69	(10.83)	94.49
Add: Depreciation	182.23	305.04	235.76	33.18
Add: Interest	263.88	707.90	284.06	167.66
Less: Other Income	10.56	35.54	98.91	58.38
<b>Operating Profit from Operations</b>	<b>1,188.11</b>	<b>1,739.09</b>	<b>410.08</b>	<b>236.95</b>

Therefore, our Company has operating profit from operations more than ₹ 1 Crore in 2 out of last 3 financial years.

g. Leverage Ratio:

The Leverage ratio (Total Outside Liabilities less unsecured loans contributed by related parties / Total Tangible Net-worth plus unsecured loans contributed by related parties) of the Company is 1.70:1 (as on August 31, 2024) which is less than the limit of 3:1.

- h. The Company confirms that no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.
- i. The Company further confirms that the Promoters or directors are not the promoters or directors (other than independent directors) of compulsory delisted companies by the Exchange and neither they are the promoters or directors of such companies on which the consequences of compulsory delisting is applicable/attracted or companies that are suspended from trading on account of noncompliance.
- j. The Company confirms that there are no pending defaults in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by our Company and promoters.
- k. The Company confirms that there has been a change in its name in last 1 year. Company was converted into a Public Limited Company and consequently the name of our Company was changed from "Saffron Speciality Papers Private Limited " to "Saffron Speciality Papers Limited "
- l. None of the Director of the Company have been disqualified / debarred by any of the Regulatory Authorities.
- m. Other Requirements

We confirm that:

- i. Our Company has a website: [www.saffronindia.net](http://www.saffronindia.net);
- ii. The Equity Shares of our Company held by our Promoters are in dematerialized form;
- iii. Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depository Services Limited (CDSL) dated May 10, 2024 and National Securities Depository Limited dated March 6, 2024 for establishing connectivity.
- iv. There has been no change in the promoter of our Company in the preceding one year from date of filing application to BSE for listing on SME segment. As mentioned in this Draft Red Herring Prospectus, there has been introduction of a new Promoter, Abbas Presswala in March 2024 and changes in shareholding of our Promoter Group members. For details refer chapter titled 'Capital Structure' on page no. 70 of this Draft Red Herring Prospectus.
- v. The composition of the board our company in compliance with the requirements of Companies Act, 2013 at the time of in-principle approval.
- vi. The Net worth of our company as mentioned above computed as per the definition given in SEBI (ICDR) Regulations
- vii. Our Company has not been referred to NCLT under IBC.
- viii. There is no winding up petition against our company, which has been admitted by the court

**Other Disclosures:**

- a. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, companies promoted by the promoters of the Company;
- b. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR);
- c. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
- d. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
- e. The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years.
- f. There has been no change in the promoters of the company in preceding one year from date of filing the application to BSE for listing under SME segment

As per Regulation 230(1) of the SEBI ICDR Regulations, our Company has ensured that:

- Draft Red Herring Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the SME Platform of BSE. BSE is the Designated Stock Exchange.
- To facilitate trading in demat securities; the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:
  - a. Tripartite agreement dated March 06, 2024 with NSDL, our Company and Registrar to the Issue;
  - b. Tripartite agreement dated May 10, 2024 with CDSL, our Company and Registrar to the Issue;
- The entire pre-Issue capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The entire Equity Shares held by the Promoters is in dematerialized form.
- The fund requirement for the project set out for the Objects of the Issue are proposed to be met entirely from the Net Proceeds. Accordingly, 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 amounts to be raised through the proposed Issue as required under the SEBI ICDR Regulations. For details, please see chapter titled “*Objects of the Issue*” on page no. 84 of this Draft Red Herring Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- a. Neither our Company nor our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- b. None of our Promoters or Directors is Promoter or Directors of companies which are debarred from accessing the capital markets by the SEBI.
- c. Neither our Company nor our Promoters or Directors is a willful defaulter.
- d. None of our Promoters or Directors has been declared as fugitive economic offender.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

In accordance with regulation 260 of the SEBI (ICDR) Regulations, this Issue shall be 100% underwritten and that the BRLM shall underwrite at least 15% of the total Issue size. For further details, pertaining to underwriting please refer to chapter titled “*General Information*” beginning on page no. 60 of this Draft Red Herring Prospectus.

In accordance with Regulation 246 of the SEBI (ICDR) Regulations, The BRLM shall ensure that the Issuer file copy of the Red Herring Prospectus with SEBI as well as stock exchange. However, Board shall not issue any observation pursuant to Regulation 246(2) of the SEBI (ICDR) Regulations.

In accordance with Regulation 261 of the SEBI ICDR Regulations, we shall enter into an agreement with the BRLM and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this

In accordance with regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within four days from the date our company becomes liable to

repay it, then our company and every officer in default shall, on and from expiry of four days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.

#### **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.

#### **Compliance with Companies Act, 2013**

Our Company, Promoters and members of the Promoter Group confirm that they are in compliance with the Companies Act, 2013, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

#### **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 ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BRLM HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS OFFER DOCUMENT, THE BRLM IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLM, BOI MERCHANT BANKERS 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 THE 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 ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLM ANY IRREGULARITIES OR LAPSES IN THIS OFFER DOCUMENT.**

Note: All legal requirements pertaining to the Issue will be complied with at the time of registration of the Red Herring Prospectus with the ROC in terms of section 32 of the Companies Act, 2013. All legal requirements pertaining to the Issue will be complied with at the time of registration of the Red Herring Prospectus with the ROC in terms of section 26, 33(1) and 33(2) of the Companies Act, 2013.

#### **Disclaimer from our Company and the Book Running Lead Manager**

Our Company, the Directors and the BRLM accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus or in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, [www.saffronindia.net](http://www.saffronindia.net), or the website of any affiliate of our Company, would be doing so at his or her own risk.

#### **Disclaimer in respect of Jurisdiction**

This issue is being made in India to persons resident in India including Indian nationals resident in India (who are

not minors, 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 authorized 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 Red Herring 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 Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this issue will be subject to 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 Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

No person outside India is eligible to Bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.

#### **Eligibility and Transfer Restrictions**

The Equity Shares offered in the Issue 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 Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and 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 clause of the SME Platform of BSE**

As required, a copy of the Draft Red Herring Prospectus shall be submitted to the BSE SME. The Disclaimer Clause as intimated by the BSE SME to us, post scrutiny of the Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and Prospectus prior to the filing with RoC.

#### **Listing**

Application will be made to the “BSE” for obtaining permission for listing of the Equity Shares being issued and sold in the Issue on its SME Platform after the allotment in the Issue. BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

Our company has obtained In-principle approval from BSE vide letter dated [•] to use name of BSE in the Red Herring Prospectus for listing of equity shares on BSE SME.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE Limited, our Company will forth with repay, without interest, all monies received from the bidders in pursuance of the Draft Red Herring Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the BSE SME mentioned above are taken within

three (3) Working Days of the Bid/Issue Closing Date or such period as may be prescribed by SEBI. If our Company does not allot Equity Shares pursuant to the Issue within 3 Working Days from the Bid/Issue Closing Date or 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% p. a, for the delayed period.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within three working days from the Issue / Bid Closing Date.

### **Mechanism for redressal of investor grievances**

The Registrar Agreement provides for retention of records with the Registrar to the Issue 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 Issue for redressal of their grievances. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

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, 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 Issue.

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, 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 Book Running 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 Two Working Days from the Bid / Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding Two Working Days from the Bid / Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

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 Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable).

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 BRLMs 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 BRLMs, 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 offers opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

<b>Scenario</b>	<b>Compensation Amount</b>	<b>Compensation Period</b>
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	Instantly revoke the blocked funds other than the original application amount and ₹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	Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and ₹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 finalization 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 Book Running 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 BRLM and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

For helpline details of the Book Running Lead Manager pursuant to the SEBI/HO/CFD/DIL-2/OW/P/2021/2481/1/M dated March 16, 2021, see “General Information – Book Running Lead Manager” on page 64 of this Draft Red Herring 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 Issue. The Registrar to the Issue shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLM and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the SEBI ICDR Regulations.

The Registrar to the Issue shall obtain the required information from the SCSBs and Sponsor Bank for addressing any clarifications or grievances of ASBA Applicants. Applicants can contact our Company Secretary and Compliance officer or the Registrar to the Issue in case of any pre-issue or post-issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.



Anchor Investors are required to address all grievances in relation to the Issue to the Book Running Lead Manager.

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 Agrima Shah, Company Secretary and Compliance officer for the Issue. For details, see “*General Information*” beginning on page no. 60 of this Draft red Herring 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 Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

### **Disposal of investor grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue 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 Red Herring 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. Further, our Board by a resolution on August 12, 2024, has also constituted a Stakeholders’ Relationship Committee. The composition of the Stakeholders’ Relationship Committee is as follows:

<b>Director</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Jaykishan Rathi	Non-Executive Independent Director	Chairman
Sweta Agarwal	Chairman & Managing Director	Member
Mahavir Prasad Hingar	Non-Executive Independent Director	Member

For further details, please see the chapter titled “*Our Management*” beginning on page no. 173 of this Draft Red Herring Prospectus.

### **Impersonation**

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:

“Any person who –

- a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
- b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”*

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

### **Consents**

Consents in writing of: (a) the Directors, Promoters, Chief Financial Officer, Company Secretary & Compliance

Officer and the Statutory and Peer Review Auditor; and (b) the BRLM, Registrar to the Issue, the Legal Counsel to the Issue, Banker to the Issue<sup>(\*)</sup>, Bankers to the Company, Experts, Market Maker<sup>(\*)</sup>, Syndicate Member<sup>(\*)</sup> and Underwriters<sup>(\*)</sup> to act in their respective capacities, have been or shall be duly obtained as the case may be and shall be filed along with a copy of the Prospectus with the ROC, as required under Section 26 and 32 of the Companies Act, 2013.

*\*The aforesaid will be appointed prior to filing of the Prospectus with ROC and their consents as above would be obtained prior to the filing of the Prospectus with ROC.*

### Expert Opinion

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

Our Company has received written consent dated February 6, 2025, from our Statutory Auditors, M/s. SKVM and Company, Chartered Accountants, who hold a valid peer review certificate, to include its name as required under Section 26(5) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an “Expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of (i) the examination report dated January 16, 2025 on the Restated Financial Statements; and (ii) the Statement of Special Tax Benefits dated February 6, 2025 included in this Draft Red Herring Prospectus and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

In addition, our Company has also received (i) written consent dated December 20, 2024 from Infomeric Analytics & Research Private Limited, in relation to the industry report with respect to our Company, (ii) written consent dated January 13, 2025 from Independent Chartered Engineer, R. D. Ashtaputra & Associates in relation to the on-going construction of the Manufacturing Facility Unit 2 & installed capacity of the Company and (iii) written consent dated January 13, 2025 from Architect & Consulting Engineer, S D & Associates in relation to the on-going construction of the Manufacturing Facility Unit 2, to include their names in this Draft Red Herring Prospectus and as an “Expert” as defined under section 2(38) of the Companies Act, 2013 and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

### Price information of the past issues handled by the BRLM

Sr. No.	Issue name	Issue size (₹ Lakhs)	Issue price (₹)	Listing Date	Opening price on Listing Date (₹)	+/- % change in closing price, +/- % change in Closing benchmark		
						30 <sup>th</sup> calendar days from listing	90 <sup>th</sup> calendar days from listing	180 <sup>th</sup> Calendar days from listing
<b>SME – IPO’s</b>								
1.	Lagnam Spintex Limited**	2,460.00	41	September 18, 2018	41.00	-56.71% [-7.32%]	-59.27% [-4.20%]	59.88% [1.31%]
2.	Network People Services Technologies Limited**	1,369.60	80	August 10, 2021	83.95	-13.04% [6.69%]	-19.00% [9.88%]	-13.04% [7.59%]

All shares price data is from [www.nseindia.com](http://www.nseindia.com) & [www.bseindia.com](http://www.bseindia.com).

\*\*Issue managed jointly with Holani Consultants Private Limited, who were the Lead Managers to the Issue.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the Lead Manager. Hence, disclosures pertaining to recent 10 issues handled by Lead Manager are provided.

Note:

- The CNX Nifty are considered as the Benchmark Index
- Prices on NSE are considered for all of the above calculations
- In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the previous trading day has been considered
- In case 30th/90th/180th days, scrips are not traded then previous trading price has been considered.

- v. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.

Summary statement of price information of past issues handled by BOI Merchant Bankers Limited:

Financial Year	Total no. of IPOs	Total Funds raised (₹ Lakh)	Nos. of IPOs trading at discount as on 30 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at premium on as on 30 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at discount as on 180 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at premium as on 180 <sup>th</sup> calendar		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2018-19	1	2,460.00	1	-	-	-	-	-	-	-	-	1	-	-
2019-20	Nil	-	-	-	-	-	-	-	-	-	-	-	-	-
2020-21	Nil	-	-	-	-	-	-	-	-	-	-	-	-	-
2021-22	1	1,369.60	-	-	1	1	-	-	-	-	1	1	-	-
2022-23	Nil	-	-	-	-	-	-	-	-	-	-	-	-	-
2023-24	Nil	-	-	-	-	-	-	-	-	-	-	-	-	-

#### Track record of past issues handled by the BRLM

For details regarding the track record of the BRLM, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see [www.boimb.com](http://www.boimb.com)

#### Previous rights and public issues

Our Company has not made any previous public issue in India or abroad in five (5) years preceding the date of this Draft Red Herring Prospectus.

#### Commission and brokerage paid on previous issues of our equity shares in last five years

Since this is an Initial Public Issue 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 no. 70, our Company has not made any capital issue during the previous three years.

We do not have any listed Group Company / Subsidiary / Associate as on date of this Draft Red Herring Prospectus.

#### Stock market data of equity shares

This being an Initial Public Issue 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.

#### Performance vis-à-vis Objects

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 70, 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 Issue” in terms of the SEBI ICDR Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

**Outstanding Debentures, Bonds, Redeemable Preference Shares and other instruments issued by the Company**

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

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

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

## SECTION IX – ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note (“CAN”), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.*

*Please note that in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Bid-cum-Application forms. Investor may visit the official website of the concerned for any information on operational utilization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

#### **Authority for the Issue**

This Issue has been authorized by a resolution of the Board passed at their meeting held on December 14, 2024 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the Extra Ordinary General Meeting of the Company held on December 18, 2024.

#### **Ranking of Equity Shares**

The Allottees upon Allotment of Equity Shares under the Issue will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares being issued and allotted shall be subject to the provisions of the Companies Act 2013, our Memorandum of Associations and Articles of Association shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled “*Main Provisions of the Articles of Association*” beginning on page no. 316 of this Draft Red Herring Prospectus.

#### **Mode of Payment of Dividend**

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment will be payable to the Bidders who have been allotted or transferred Equity Shares pursuant to the Issue, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” beginning on page nos. 193 and 316, respectively of this Draft Red Herring Prospectus.

### **Face Value, Issue Price, Floor Price and Price Band**

The face value of each Equity Share is ₹ 10 and the Issue Price is ₹ [•] per Equity Share. The Floor Price is ₹ [•] per Equity Share and at the Cap Price is ₹ [•] per Equity Share, being the Price Band. The Anchor Investor Issue Price is ₹ [•] per Equity Share.

The Issue Price, Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM, and advertised in all editions of [•] (a widely circulated English National Daily Newspaper), all editions of [•] (a widely circulated Hindi National Daily Newspaper), Mumbai Edition of [•] (a widely circulated Marathi Daily Newspaper, Marathi being the regional language of Maharashtra where our registered office is located), at least two Working Days prior to the Bid/ Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager, after the Bid/ Issue Closing Date on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares, unless otherwise permitted by law.

### **Compliance with disclosure and Accounting Norms**

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

1. Right to receive dividends, if declared;
2. Right to receive Annual Reports and notices to members;
3. Right to attend general meetings and exercise voting rights, unless prohibited by law;
4. Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
5. Right to receive offers for rights shares and be allotted bonus shares, if announced;
6. Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
7. Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
8. Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, terms of the SEBI LODR Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation or splitting, see “*Main Provisions of the Articles of Association*” beginning on page no. 316 of this Draft Red Herring Prospectus.

### **Allotment only in Dematerialized Form**

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialized form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- a. Tripartite agreement dated March 06, 2024 with NSDL, our Company and Registrar to the Issue;
- b. Tripartite agreement dated May 10, 2024 with CDSL, our Company and Registrar to the Issue;

For details in relation to the Basis of Allotment, see “*Issue Procedure*” on page no. 289 of this Draft Red Herring Prospectus.

#### **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 SME platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [•] Equity Shares and is subject to a minimum allotment of [•] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

#### **Minimum Number of Allottees**

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within two (2) working days of closure of Issue.

#### **Joint Holders**

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

#### **Jurisdiction**

The courts of Mumbai, Maharashtra will have exclusive jurisdiction in relation to this Issue.

The Equity Shares issued in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be issued 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 in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold outside the United States in ‘offshore transactions’ in reliance on Regulations under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

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 the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

#### **Nomination Facility to Bidders**

In accordance with Section 72 of the Companies Act read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the

Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by our Board, elect either:

- a. to register himself or herself as the holder of the Equity Shares; or
- b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change their nomination, they are requested to inform their respective Depository Participant.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

#### **Option to receive Equity Shares in Dematerialized Form**

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchange.

#### **Withdrawal of the Issue**

Our Company in consultation with the BRLM, reserve the right to not proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre- Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

The BRLM, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Banks (in case of UPI Bidders), to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Issue to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchanges will also be informed promptly. In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit reports of compliance with the applicable listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. Further, in case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding three Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.



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

### **Bid/ Issue Program**

An indicative timetable in respect of the Issue is set out below:

<b>Event</b>	<b>Indicative Date</b>
Bid/ Issue Opens on	[•] <sup>(1)</sup>
Bid/ Issue Closes on	[•] <sup>(2)(3)</sup>
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before [•]
Initiation of Refunds / unblocking of funds from ASBA Account*	On or before [•]
Credit of Equity Shares to demat account of the Allottees	On or before [•]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [•]

<sup>(1)</sup> Our Company in consultation with the BRLM, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations

<sup>(2)</sup> Our Company in consultation with the BRLM, may consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

<sup>(3)</sup> UPI mandate end time and date shall be at 5.00 p.m. on Bid/Issue Closing Date.

*\*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 for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated in accordance with applicable law by the intermediary responsible for causing such delay in unblocking, which period shall start from the day following the receipt of a complaint from the Bidder. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated 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 SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No: SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 dated May 30, 2022 shall be deemed to be incorporated in the deemed agreement of the Bank with the SCSBs to the extent applicable, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable. The processing fees for applications made by UPI Applicants using the UPI Mechanism may be released to the remitter banks(SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No: SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 dated May 30, 2022.*

*The processing fees for applications made by UPI Applicants 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, 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*

**The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager.**

**Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within such time as prescribed by SEBI, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading**

**approval from the Stock Exchange. In terms of the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, our Company shall within three days from the closure of the Issue, refund the subscription amount received in case of non – receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.**

SEBI vide Circular No: SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the post issue timeline for initial public offerings (“IPO”). The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Accordingly, the Issue will be made under UPI Phase III on mandatory basis, subject to the timing of the Issue and any circulars, clarification or notification issued by the SEBI from time to time, including with respect to SEBI Circular No: SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023.

In terms of the UPI Circulars, in relation to the Issue, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three (3) Working Days from the Bid/Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the issue procedure is subject to change to any revised SEBI circulars to this effect.**

**Submission of Bids (other than Bids from Anchor Investors)**

<b>Bid/ Issue Period (except the Bid/Issue Closing Date):</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time(“IST”))
<b>Bid/Issue Closing Date:</b>	
Submission and Revision in Bids*	Only between 10.00 a.m. and 3.00 p.m. IST

*\* UPI mandate and time and date shall be at 5:00 p.m. on Bid/Issue Closing Date*

**On the Bid/Issue Closing Date, the Bids shall be uploaded until:**

- i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange in case of Bids by RIBs.

On Bid/Issue Closing Date, extension of time will be granted by Stock Exchange only for uploading Bids received by RIBs after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the StockExchange.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSB’s on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB’s shall unblock such applications by the closing hours of the Working Day and submit confirmation to the BRLMs and the RTA on the daily basis as per the format prescribed SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to the limitation of time available for uploading the Bid-Cum-Application Forms on the Bid/Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum-Application Forms are received on the Bid/ Issue Closing Date, as is typically experienced in public Issue, some Bid-Cum-Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-

Cum-Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid-Cum-Application Forms due to faults in any software/hardware system or otherwise; or blocking of application amount by SCSBs on receipt of instructions from the Sponsor Bank due to any errors, omissions, or otherwise non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in the UPI Mechanism.

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e., the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly, but the Floor Price shall not be less than the Face Value of the Equity Shares.

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

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

**In case of revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, may extend the Bid/Issue Period for a minimum of 1 (one) days Working Days, subject to the Bid/ Issue Period not exceeding 10 (ten) Working Days. Any revision in Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public announcement and also by indicating the change on the respective websites of the BRLM and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond Two days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Prospectus and shall not be restricted to the minimum subscription level. For details of underwriting arrangement, kindly refer the chapter titled “General Information - Underwriting” on page no. 60 of this Draft Red Herring Prospectus.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000/- (Rupees One Lac only) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **Arrangements for disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of [•] shares in terms of the SEBI circular No.CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the BSE SME.

#### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre- Issue capital of our Company, lock-in of the Promoters' minimum contribution and the Anchor Investor lock-in as provided in “*Capital Structure*” beginning on page no. 70 of this Draft Red Herring Prospectus and except as provided in our Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, see “*Main Provisions of the Articles of Association*” beginning on page no. 316 of this Draft Red Herring Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform to the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

#### **New Financial Instruments**

As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue. Further, our Company is not issuing any new financial instruments through this Issue.

#### **Allotment of securities in Dematerialized form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

#### **Application by Eligible NRIs, FPIs or VCFs registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the

RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

**As per the extent Guidelines of the Government of India, OCBs cannot participate in this Issue**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

**Migration to Main Board**

The eligibility criteria for migration of SME Companies to BSE Main Board is as follows:

Sr. No.	Eligibility Criteria	Details
1.	Paid up capital and market capitalization	Paid-up capital of more than Rs. 10 Crores and Market Capitalization should be minimum Rs. 25 Crores  <i>(Market Capitalization will be the product of the price (average of the weekly high and low of the closing price of the related shares quoted on the stock exchange during 3 (three) months prior to the date of the application) and the post issue number of equity shares.</i>
2.	Promoter holding	Promoter(s) shall be holding at least 20% of equity share capital of the company at the time of making application.
3.	Financial Parameters	<ul style="list-style-type: none"> <li>• The applicant company should have positive operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years and has positive profit after tax (PAT) in the immediately preceding Financial Year of making the migration application to Exchange.</li> <li>• The applicant company should have a Net worth of at least Rs. 15 crores for 2 preceding full financial years</li> </ul>
4.	Track record of the company in terms of listing/ regulatory actions, etc.	The applicant company is listed on SME Exchange/ Platform having nationwide terminals for at least 3 years.
5.	Regulatory action	<ul style="list-style-type: none"> <li>• No material regulatory action in the past 3 years like suspension of trading against the applicant company, promoters/promoter group by any stock Exchange having nationwide trading terminals.</li> </ul>

Sr. No.	Eligibility Criteria	Details
		<ul style="list-style-type: none"> <li>• No Debarment of company, promoters/promoter group, subsidiary company by SEBI.</li> <li>• No Disqualification/Debarment of directors of the company by any regulatory authority.</li> <li>• The applicant company has not received any winding up petition admitted by a NCLT.</li> </ul>
6.	Public Shareholder	The applicant company shall have a minimum of 250 public shareholders as per the latest shareholding pattern.
7.	Other parameters like No. of shareholders, utilization of funds	<ul style="list-style-type: none"> <li>• No proceedings have been admitted under the Insolvency and Bankruptcy Code against the applicant company and Promoting companies.</li> <li>• No pending Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by the applicant, promoters/promoter group /promoting company(ies), Subsidiary Companies.</li> <li>• The applicant company shall obtain a certificate from a credit rating agency registered with SEBI with respect to utilization of funds as per the stated objective pursuant to IPO and/or further funds raised by the company, if any post listing on SME platform.</li> <li>• The applicant company has no pending investor complaints.</li> <li>• Cooling off period of 2 months from the date the security has come out of trade-to-trade category or any other surveillance action.</li> </ul>

Note:

1. Net worth definition to be considered as per definition in SEBI ICDR.
2. Company is required to submit Information Memorandum to the Exchange as prescribed in SEBI (ICDR) Regulations.
3. The application submitted to the Exchange for listing and mere fulfilling the eligibility criteria does not amount to grant of approval for listing.
4. If the documents and clarification received from the applicant company are not to the satisfaction of BSE, BSE has the right to close the application at any point of time without giving any reason thereof. Thereafter, the company can make fresh application as per the extant norms.
5. The Exchange may reject application at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Guidelines / Regulations issued by statutory authorities or for any reason in the interest of Investors and market integrity. The Exchange may also reject the application if the company is found not fulfilling internal BSE standards.
6. Companies that have approached for listing on any stock exchange and has been denied listing for any reason whatsoever or has chosen to withdraw its application from the Exchange, they may reapply for listing after a minimum period of 6 months (6 months after date of rejection/ withdrawal). If rejected for a second time, the company would not be eligible to apply again.
7. BSE decision w.r.t admission of securities for listing and trading is final.
8. BSE has the right to change / modify / delete any or all the above norms without giving any prior intimation to the company.
9. The companies are required to submit documents and comply with the extant norms.
10. The company shall use BSE's reference regarding listing only after the Exchange grants its in-principle listing approval to the company

## **Market Making**

The shares issued through this Issue are proposed to be listed on the BSE SME with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on BSE SME. For further details of the market making arrangement please refer the chapter titled “*General Information*” beginning on page no. 60 of this Draft Red Herring Prospectus.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue face value capital is more than ₹ 10 crore and up to ₹ 25 crore, shall issue equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an issue, please refer chapter titled “*Terms of Issue*” and “*Issue Procedure*” on page nos. 273 and 289 respectively of this Draft Red Herring Prospectus.

### Issue Structure

This Issue comprised of Initial Public Offering of up to 54,00,000 Equity Shares for Cash at an Issue Price of ₹ [•] per Equity Share. The Issue comprises a reservation of up to [•] Equity Shares of face value of ₹10/- each for subscription by the designated Market Maker (“**the Market Maker Reservation Portion**”) and Net Issue to Public of up to [•] Equity Shares of face value of ₹10/- each (“**the Net Issue**”). The Issue and the Net Issue will constitute [•]% and [•]%, respectively of the post Issue paid-up equity share capital of the Company. The Issue is being made through the Book Building Process.

The Issue is being made through the Book Building Process.

Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors/Bidders	Retail Individual Investors/Bidders
<b>Number of Equity Shares available for allocation or allotment</b> <sup>(2)</sup>	Up to [•] Equity Shares	Not more than [•] Equity Shares	Not less than [•] Equity Shares	Not less than [•] Equity Shares
<b>Percentage of Issue Size available for Allocation</b>	[•]% of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue



Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors/Bidders	Retail Individual Investors/Bidders
<b>Basis of Allotment<sup>(3)</sup></b>	Firm allotment	<p>Proportionate as follows (excluding the Anchor Investor Portion):</p> <p>(a) Up to [•] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and</p> <p>(b) Up to [•] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.</p> <p>(c) Up to 60% of QIB Portion (of up to [•] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price</p>	Proportionate basis subject to minimum allotment of [•] Equity Shares and further allotment in multiples of [•] Equity Shares. For details, see “ <i>Issue Procedure</i> ” beginning on page no. 289 of this Draft Red Herring Prospectus.	Proportionate basis subject to minimum allotment of [•] Equity Shares. For details, see “ <i>Issue Procedure</i> ” beginning on page no. 289 of this Draft Red Herring Prospectus.
<b>Mode of Bid</b>	Only through ASBA Process	ASBA only except for Anchor Investors <sup>(4)</sup>	Only through ASBA Process	Through ASBA Process, through Banks or by using UPI ID for payment
<b>Mode of allotment</b>	Compulsorily in dematerialized form			
<b>Minimum Bid Size</b>	[•] Equity Shares	Such number of Equity Shares and in multiples of [•] Equity Shares that the Bid Amount exceeds ₹ 2.00 Lakhs	Such number of Equity shares in multiple of [•] Equity shares that Bid size exceeds ₹ 2.00 Lakhs	[•] Equity Shares so that the Bid Amount does not exceed ₹ 2.00 Lakhs
<b>Maximum Bid Size</b>	[•] Equity Shares	Such number of Equity Shares in multiples of [•] Equity Shares not	Such number of Equity Shares in multiples of [•] Equity Shares not exceeding	[•] Equity Shares so that the Bid Amount does not exceed ₹ 2.00

Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors/Bidders	Retail Individual Investors/Bidders
		exceeding the size of the Net Issue, (excluding the Anchor portion), subject to limits applicable to each Bidder	the size of the Net Issue (excluding the QIB portion), subject to applicable limits	Lakhs
<b>Bid Lot</b>	[•] Equity Shares and in multiples of [•] Equity Shares thereafter			
<b>Trading Lot</b>	[•] Equity Shares, However the Market Maker may accept odd lots, if any, in the market as required under the SEBI ICDR Regulations	[•] Equity Shares and in multiples thereof	[•] Equity Shares and in multiples thereof	[•] Equity Shares and in multiples thereof
<b>Who can apply?</b> <sup>(5)</sup>	Market Maker	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual funds registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, registered with SEBI, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹2500 lakhs, pension fund with minimum corpus of ₹2500 lakhs, National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, family offices, trusts, FPIs who are individuals, corporate bodies and family offices	Resident Indian individuals, HUFs (in the name of Karta) and Eligible NRIs applying for Equity Shares such that the Bid amount does not exceed ₹ 2.00 Lakhs in value

Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors/Bidders	Retail Individual Investors/Bidders
		and managed by the Department of Posts, India and Systemically Important NBFCs, in accordance with applicable laws including FEMA Rules.		
<b>Terms of Payment</b>	<p><b>In case of all other Bidders:</b> Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.</p> <p><b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids<sup>(6)</sup></p>			

- <sup>(1)</sup> Our Company in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Issue Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 200.00 Lakhs, (ii) minimum of two and maximum of fifteen Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 200.00 Lakhs but up to ₹ 2,500.00 Lakhs under the Anchor Investor Portion, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor, and (iii) in case of allocation above ₹2,500.00 Lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of fifteen Anchor Investors for allocation up to ₹2,500.00 Lakhs, and an additional ten Anchor Investors for every additional ₹2,500.00 Lakhs or part thereof will be permitted, subject to minimum allotment of ₹100.00 Lakhs per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹200.00 Lakhs. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors.
- <sup>(2)</sup> In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI ICDR Regulations, this is an Issue for at least 25% of the post Issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 253 of the SEBI ICDR Regulations.
- <sup>(3)</sup> Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.
- <sup>(4)</sup> Anchor Investors are not permitted to use the ASBA process.
- <sup>(5)</sup> In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.
- <sup>(6)</sup> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

(7) *SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the Bidders. Accordingly, Stock Exchanges shall, for all categories of Bidders viz. QIBs, NIBs and RIBs 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.*

The Bids by FPIs with certain structures as described under “*Issue Procedure*” on page no. 289 of this Draft Red Herring Prospectus and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see “*Terms of the Issue*” on page no. 273 of this Draft Red Herring Prospectus.

**In case of any revision in the Price Band, the Bid/ Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public announcement and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.**

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

## ISSUE PROCEDURE

All Bidders shall review the 'General Information Document' for investing in Public Issues prepared and issued in accordance with the circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 notified by SEBI, suitably modified from time to time, if any, and the UPI Circulars ("General Information Document"), highlighting the key rules, procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI Regulations.

The General Information Documents will be updated to reflect the enactments and regulations including the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document will also be available on the websites of the Stock Exchange and the Lead Manager, before opening of the Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) disposal of applications; and (xiii) interest in case of delay in Allotment or refund.

SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 effective to public issues opening on or after from May 01, 2021. However, said circular has been modified pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in which certain applicable procedure w.r.t. SMS Alerts, Web portal to CUG etc. shall be applicable to Public Issue opening on or after January 1, 2022 and October 1, 2021 respectively.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective 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 Bids by UPI Bidder through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. 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, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders ("**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 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time.

The BRLM 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 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances, including the reduction of time period for unblocking of application monies from 15 days to four days. This circular is effective for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, as amended, are deemed to form part of this Draft Red Herring Prospectus.*

*Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹5.00 lakhs shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. 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 shall be processed only after application monies are blocked in the bank accounts of investors (all categories).*

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/Issue Closing Date, in accordance with the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding three Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, has reduced the timelines for refund of Application money to four days.*

*The BRLM shall be the nodal entity for any issues arising out of public issuance process.*

*Our Company and the BRLM, members of the syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the GID and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus, when filed.*

*Further, our Company and the Members of the Syndicate are not liable for any adverse occurrence's consequent to the implementation of the UPI Mechanism for application in the Issue.*

### **Book Building Procedure**

The book building, in context of the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band, which will be decided by our Company in consultation with the BRLM, and advertised in all editions of the widely circulated English national daily newspaper, [•], all editions of Hindi national daily newspaper, [•] and [•] editions of the widely circulated Marathi daily newspaper, [•] (Marathi being the regional language of Maharashtra, where our Registered Office is located) at least 2 (two) Working Days prior to the Bid/Issue Opening Date and was made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Issue Price shall be determined by our Company, in consultation with the BRLM, after the Bid/Issue Closing Date. The principal parties involved in the Book Building Process are:

- (1) the Company;
- (2) the BRLM;
- (3) the Syndicate Members who are intermediaries registered with SEBI or registered as brokers with the Stock Exchanges and eligible to act as Underwriters;

- (4) the Registrar to the Issue;
- (5) the Escrow Collection Banks/ Bankers to the Issue;
- (6) the Designated Intermediaries and the Sponsor Bank(s)

The SEBI ICDR Regulations have permitted the issue of securities to the public through the book building process, wherein allocation to the public shall be made as per Regulation 253(1) of the SEBI ICDR Regulations.

The Issue is being made through the book building process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (the "Anchor Investor Portion"), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. At least 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price.

Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail individual Bidders ("RIBs), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

All potential Bidders (excluding Anchor Investors) are mandatorily required to utilize the ASBA process to participate in the Issue by providing details of their bank account in which the corresponding Bid Amount which will be blocked by the SCSBs. UPI Bidders can also participate in the Issue through the UPI Mechanism under the ASBA process by either (a) providing the details of their ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid /Issue Period and withdraw their Bids on or before the Bid/Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than the Anchor Investors), in the Issue will be on a proportionate basis. However, allocation to the Anchor Investors will be on a discretionary basis.

Each Bidder by submitting a Bid in the Issue, will be deemed to have acknowledged the above restrictions and the terms of the Issue.

For further details, see "*The Issue*", "*Terms of the Issue*" and "*Issue Procedure*" on page nos. 54, 273, and 289, respectively of this Draft Red Herring Prospectus.

Our Company will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI for the Issue. In this regard, our Company has appointed the BRLM to manage the Issue and procure subscriptions to the Issue.

The Book Building Process under the SEBI ICDR Regulations is subject to change from time to time and Bidders are advised to make their own judgment about an investment through the Book Building Process prior to submitting a Bid in the Issue.

#### **AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Red Herring Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Book Running Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of BSE Limited i.e. [www.bseindia.com](http://www.bseindia.com). Applicants shall only use the specified Application Form for the purpose of making an

Application in terms of the Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

## **PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public Issue closure to listing continued to be six Working Days. For further details, refer to the General Information Document available on the website of the Stock Exchange and the Book Running Lead Manager.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public Issue closure to listing continues to be six Working Days during this phase.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“T+3 Notification”). In this phase, the time duration from public Issue closure to listing has been reduced from six Working Days to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Issue is being made under Phase III of the UPI (on a mandatory basis).

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.

Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 issued by SEBI, as amended by the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 (the “UPI Streamlining Circular”), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being



penalized under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post-issue BRLM will be required to compensate the concerned investor. Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, 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.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as the Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Book Running Lead Manager.

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the Book Running Lead Manager, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the website of the BSE ([www.bseindia.com](http://www.bseindia.com)), at least one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the Book Running Lead Manager.

UPI Bidders Bidding using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The ASBA Bidders, including UPI Bidders, shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, which shall be effective from September 1, 2022.

ASBA Bidders (not using the UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected. The ASBA Bidders shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, which shall be effective from September 1, 2022. All ASBA Bidders are required to provide either, (i) bank account details and authorizations to block funds in the ASBA Form; or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that did not contain such details will be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable to be rejected. The UPI Bidders must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Banks, as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

Since the Issue is made under Phase III, ASBA Bidders may submit the ASBA Form in the manner below:

- (a) RIBs (other than the UPI Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (b) UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (c) QIBs and NIIs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.
- (d) ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked.

In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked. The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application form*
Resident Indians, including QIBs, Non-institutional Investors and Retail Individual Bidders, each resident in India and Eligible NRIs applying on a non-repatriation basis.	[•]
Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FPIs or FVCIs registered multilateral and bilateral development financial institutions applying on a repatriation basis	[•]
Anchor Investors**	[•]

\* *Excluding electronic Bid cum Application Form.*

\*\* *Bid cum Application Forms for Anchor Investors will be made available at the office of the Book Running Lead Manager. Electronic Bid cum Application forms will also be available for download on the website of BSE ([www.bseindia.com](http://www.bseindia.com)).*

In case of ASBA forms, the relevant Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges and the Stock Exchanges validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. The Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on application monies blocked. For UPI Bidders, the Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded. The Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Bidders) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis through API integration to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, 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 the UPI Bidders in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), 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 Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Issue shall provide the audit trail to the Book Running Lead Manager for analyzing the same and fixing liability.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed errorcode and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the Book Running Lead Managers in the format and within the timelines as specified under the SEBI UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

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/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm IST on the Bid/Issue Closing Date (**“Cut-Off Time”**). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification/cancellation of Bids (if any) shall be allowed in parallel during the Bid/Issue Period until the Cut-Off Time.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/ Issue Opening Date until the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Issue Bidding process.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in accordance with SEBI circular no: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following intermediaries (Collectively called – Designated Intermediaries”):

1. An SCSB, with whom the bank account to be blocked, is maintained
2. A syndicate member (or sub-syndicate member)
3. A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
4. A Depository Participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5. A Registrar to an Issue and share transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the 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 and may begin blocking funds available in the bank account
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	specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the 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 Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	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. Stock Exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock Exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by Stock Exchange.

Stock Exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or PanID can be modified but not BOTH), Bank code and location code, in the bid details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants. Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Application Form used by ASBA Applicants. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

### **Who Can Apply?**

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. In addition to the category of Applicants set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

1. Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: —Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other

than Eligible NRIs are not eligible to participate in this Issue;

6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non- Institutional investor'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. Multilateral and bilateral development financial institution;
19. Eligible QFIs;
20. Insurance funds set up and managed by army, navy or air force of the Union of India;
21. Insurance funds set up and managed by the Department of Posts, India;
22. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**Maximum and Minimum Application Size**

**1. For Retail Individual Bidders**

The Application must be for a minimum of [•] Equity Shares and in multiples of [•] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000.

## **2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of [•] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of the Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

### **Electronic Registration of Bids**

- a. The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Issue.
- b. On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Draft Red Herring Prospectus.
- c. Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 5:00 pm on the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.
- d. QIBs and Non-Institutional Investors can neither revise their bids downwards nor cancel/withdraw their bids.

### **Participation by Promoters, Promoter Group, the Book Running Lead Manager, the Syndicate Members and Persons related to Promoters/ Promoter Group/ the Book Running Lead Manager**

The Book Running Lead Manager and the Syndicate Members shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Manager and the Syndicate Members may Bid for Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis or in any other manner as introduced under applicable laws, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Book Running Lead Manager and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Book Running Lead Manager nor any associate of the Book Running Lead Manager can apply in the Issue under the Anchor Investor Portion:

- a. mutual funds sponsored by entities which are associate of the Book Running Lead Manager;
- b. insurance companies promoted by entities which are associate of the Book Running Lead Manager;
- c. AIFs sponsored by the entities which are associate of the Book Running Lead Manager; or
- d. FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the Book Running Lead Manager.

Further, an Anchor Investor shall be deemed to be an “associate of the Book Running Lead Manager” if:

- a. either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or

- b. either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or
- c. there is a common director, excluding nominee director, amongst the Anchor Investors, the Book Running Lead Manager.

### **Bids by Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which such Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV 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.

### **Bids by Eligible Non-Resident Indians**

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([•] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([•] in colour).

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorize their respective SCSB to block their NRE accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSB to block their NRO accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Eligible NRIs applying on a non-repatriation basis in the Issue through the UPI Mechanism are advised to enquire with their relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the members of the Indian company in a general meeting.

NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

For details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page no. 314 of this Draft Red Herring Prospectus.

Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

## **Bids by HUFs**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Bids/ Applications by HUFs may be considered at par with Bids from individuals.

## **Bids by FPIs**

In terms of the FEMA Rules and SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap is 100% under automatic route.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents ([•] in colour).

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- i. such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- ii. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which finalize the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations ("Operational FPI Guidelines"), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids ("MIM Bids"). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that finalize the multi-investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as "MIM Structure"). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.



### **Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹2,500.00 lakhs and pension funds with a minimum corpus of ₹2,500.00 lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company in consultation with the Book Running Lead Manager in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

### **Bids by SEBI Registered VCFs, AIFs and FVCIs**

The SEBI FVCI Regulations, inter alia, prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, subject to FEMA Rules, VCFs and FVCIs can invest only up to 33.33% of their investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. Our Company, the Book Running Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the Issue shall be subject to the FEMA Rules.

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

### **Bids by Limited Liability Partnerships**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof.

### **Bids by Banking Companies**

In case of Bids made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended, (the "Banking Regulation Act"), and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate investment by

a banking company in subsidiaries and other entities engaged in financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

### **Bids by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **Bids by Insurance Companies**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended ("IRDAI Investment Regulations"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **Bids by provident funds/pension funds**

In case of Bids made by provident funds/pension funds with minimum corpus of ₹2,500.00 lakhs, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid, without assigning any reason thereof.

### **Bids by Systemically Important Non-Banking Financial Companies**

In case of Bids 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, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Systemically 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

## **Bids by Anchor Investors**

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section, the keyterms for participation by Anchor Investors are provided below:

1. Anchor Investor Application Forms will be made available for the Anchor Investors Portion at the offices of the BookRunning Lead Manager.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹200.00 lakhs.
3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
5. Our Company in consultation with the Book Running Lead Manager, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but up to ₹2,500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than ₹2,500.00 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation up to ₹2,500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹2,500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the Book Running Lead Manager before the Bid/ Issue Opening Date, through intimation to the Stock Exchange.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within Anchor Investor Pay-in Date specified in the CAN. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
9. The Equity Shares Allotted in the Anchor Investor Portion will be locked in, in accordance with the SEBI ICDR Regulations. 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment. Neither the (a) Book Running Lead Manager or any associate of the Book Running Lead Manager (other than mutual funds sponsored by entities which are associate of the Book Running Lead Manager or insurance companies promoted by entities which are associate of the Book Running Lead Manager or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the Book Running Lead Manager or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the Book Running Lead Manager) nor (b) the Promoters, Promoter Group or any person related to the Promoters or

members of the Promoter Group shall apply under the Anchor Investors category.

For more information, please read the General Information Document.

**The information set out above is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as will be specified in the Red Herring Prospectus.**

### **Information for Bidders**

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

### **General Instructions**

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bid(s) during the Bid Period and withdraw or lower the size of their Bid(s) until Bid/Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid Period.

#### **Do's:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that your PAN is linked with Aadhaar and you are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021;
3. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
4. Ensure that you have Bid within the Price Band;
5. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
6. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not a UPI Bidder in the Bid cum Application Form and if you are a UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
7. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted

to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;

8. UPI Bidders Bidding in the Issue shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party
9. UPI Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs;
10. Ensure that you mandatorily have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
11. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;
12. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
13. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or acknowledgment specifying the application number as a proof of having accepted the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
14. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment.
15. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008 issued by SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the securities market, and (iii) persons/entities exempt from holding a PAN under applicable law, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
17. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;
19. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;
20. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilize the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

21. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
22. Since the Allotment will be in dematerialized form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and PAN available in the Depository database;
23. In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in));
24. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Banks, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorize the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
25. Ensure that the Demographic Details are updated, true and correct in all respects;
26. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Issue, which is UPI 2.0 certified by NPCI;
27. Bidders (except UPI Bidders) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIBs, once the Sponsor Banks issues the Mandate Request, the RIBs would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
28. Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI pin. Upon the authorization of the mandate using his/her UPI pin, a UPI Bidder Bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the RIB Bidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Banks Issue a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;
29. UPI Bidders should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;
30. UPI Bidders who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Banks to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner;
31. Bids by Eligible NRIs for a Bid Amount of less than ₹2.00 lakhs would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹2.00 lakhs would be considered under the Non- Institutional Category for allocation in the Issue;
32. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the

name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019; and

33. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 12:00 p.m. of the Working Day immediately after the Bid/ Issue Closing Date.
34. The ASBA bidders shall ensure that bids above ₹5.00 lakhs, are uploaded only by the SCSBs.

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.**

***Don'ts:***

1. Do not Bid for lower than the minimum Bid Lot;
2. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
3. Do not Bid for a Bid Amount exceeding ₹2.00 lakhs (for Bids by RIBs);
4. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
5. Do not Bid/ revise the Bid amount to less than the Floor Price or higher than the Cap Price;
6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
10. Do not submit the Bid for an amount more than funds available in your ASBA account;
11. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
12. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
13. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
14. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Draft Red Herring Prospectus;
15. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
16. In case of ASBA Bidders (other than UPI Bidders using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;

17. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;
18. Anchor Investors should not bid through the ASBA process;
19. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;
20. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
21. Do not submit the GIR number instead of the PAN;
22. Anchor Investors should submit Anchor Investor Application Form only to the Book Running Lead Manager;
23. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;
24. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/ Issue Closing Date;
25. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders or Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids on or before the Bid/ Issue Closing Date;
26. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are a UPI Bidder and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;
27. Do not submit the ASBA Forms to any Designated Intermediary that is not authorized to collect the relevant ASBA Forms or to our Company;
28. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a UPI Bidder. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Issue;
29. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;
30. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;
31. Do not Bid if you are an OCB;
32. UPI Bidders using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected; and
33. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders.
34. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹5.00 lakhs;

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

#### **Grounds for Technical Rejection**

In addition to the grounds for rejection of Bids on technical grounds as provided in the BID, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;



2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPIhandle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linkedbank account UPI ID (subject to availability of information regarding third party account from Sponsor Banks);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. ASBA Form by the RIBs by using third party bank accounts or using third party linked bank account UPI IDs;
10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended forcredit” in terms of SEBI circular CIR/MRD/DP/22/2010 dated July 29, 2010;
11. GIR number furnished instead of PAN;
12. Bids by RIBs with Bid Amount of a value of more than ₹2.00 lakhs;
13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Bids accompanied by stock invest, money order, postal order or cash; and
15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchanges. On the Bid/ Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Bidders, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid-cum-Application Forms as stated herein and as informed to the Stock Exchange.

Further, in case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/ unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance officer, see “*General Information*” beginning on page no. 60 of this Draft Red Herring Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding the prescribed Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07, 2024 (to the extent applicable) in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. The BRLM shall be the nodal entity for any issues arising out of 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 the BRLM shall continue to coordinate with intermediaries involved in the said process.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General

Information Document.

### **Names of Entities Responsible for finalizing the Basis of Allotment in a fair and proper manner**

The authorized employees of the Stock Exchange, along with the Book Running Lead Manager and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

### **Issuance of a Confirmation Note (“CAN”) and allotment in the Issue**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

### Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

### Terms of payment

The entire Issue price of ₹ [•] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

### Payment mechanism

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSBs shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in

a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

#### **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 issued through this Offer document.

The allotment of Equity Shares to bidders other than to the RIBs, NIIs and Anchor 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 as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion and the remaining available shares, if any, shall be allotted on a proportionate basis. Further, not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations. Further, the allocation to each Non-Institutional Investor shall not be less than Minimum NIB Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

#### **Payment into Anchor Investor Escrow Accounts**

Our Company in consultation with the Book Running Lead Manager will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account should be drawn in favor of:

- a. In case of resident Anchor Investors: “[•]”
- b. In case of Non-Resident Anchor Investors: “[•]”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections of Bid amounts from Anchor Investors.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre- Issue advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of the widely circulated English national daily newspaper, [•], all editions of Hindi national daily newspaper, [•] and [•] editions of the widely circulated Marathi daily newspaper, [•] (Marathi being the regional language of Maharashtra, where our Registered Office is located).

In the pre- Issue advertisement, we shall state the Bid/ Issue Opening Date and the Bid/ Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

#### **Allotment Advertisement**

Our Company, the Book Running Lead Manager and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of the widely circulated English national daily newspaper, [•], all editions of Hindi national daily newspaper, [•] and [•] editions of the widely circulated Marathi daily newspaper, [•] (Marathi being the regional language of Maharashtra, where our Registered Office is located).

**The information set out above is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or**

**regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.**

### **Signing of the Underwriting Agreement and filing with the ROC**

Our company has entered into an Underwriting Agreement dated [•].

After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which would then be termed as the Prospectus. The Prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, the Issue size, and underwriting arrangements and will be complete in all material respects.

### **Depository Arrangements**

The Allotment of the Equity Shares in the Issue shall be only in a dematerialized form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). For more information, see “*Terms of the Issue*” on page no. 273 of this Draft Red Herring Prospectus.

### **Impersonation**

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*“Any person who:*

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

*shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹10.00 lakhs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to threetimes such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹10.00 lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹50.00 lakhs or with both.

### **Undertakings by our Company**

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders.
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/ Issue Closing Date or such other period as may be prescribed;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is

delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period;

- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the unsuccessful Bidder within three Working Days from the Bid/ Issue Closing Date or such other prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- Promoters' contribution, if any, shall be brought in advance before the Bid/ Issue Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;
- that if our Company does not proceed with the Issue after the Bid/ Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/ Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The Stock Exchanges shall be informed promptly.

#### **Utilization of Issue Proceeds**

Our Company, severally and not jointly, specifically confirm that all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

Details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Net Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

Details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

## RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“**FDI Policy**”), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

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 foreign direct investment policy and transfer does not attract the provisions of the SEBI SAST Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Issue shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA 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. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

As per the FDI policy, FDI in companies engaged in the sector in which our Company operates, is permitted up to 100% of the paid-up share capital of such company under the automatic route.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see “*Issue Procedure*” on page no. 289 of this Draft Red Herring Prospectus. 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 Issue Period.

**The Equity Shares issued in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and, unless so registered, may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws of the United States. Accordingly, the Equity Shares are only being issued and sold only outside the United States in offshore transactions in compliance with Regulation S under the U.S. 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 Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

The above information is given for the benefit of the Bidders. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Issue and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

## **SECTION X – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION**

The Articles of Association have been approved by the Board and the Shareholders pursuant to the resolutions dated May 15, 2024 and June 12, 2024, respectively.

Capitalized terms used in this section have the meanings that have been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:

### **CONSTITUTION OF THE COMPANY**

#### **Article 1:**

- a) The regulations contained in table “F” of schedule I to the Companies Act, 2013 shall apply only in so far as the same are not provided for or are not inconsistent with these Articles.
- b) The regulations for the management of the Company and for the observance of the Shareholders thereof and their representatives shall be such as are contained in these Articles, subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by Special Resolution as prescribed by the Companies Act, 2013.

### **INTERPRETATION**

**Article 2:** Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof in force at the date at which the Articles become binding on the Company. In these Articles, all capitalized items not defined herein below shall have the meanings assigned to them in the other parts of these Articles when defined for use.

#### **A. DEFINITIONS**

“**Act**” means the Companies Act, 2013, including any statutory modification or re-enactment or amendment, clarifications and notification thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous Company law, so far as may be applicable.

“**Annual General Meeting**” means a general meeting of the members held as such, in accordance with the provisions of the Act.

“**Articles**” or “**Articles of Association**” mean the articles of association or re-enactment thereof for the time being in force of the Company.

“**Beneficial Owner**” means a person as defined by section 2(1)(a) of the Depositories Act, 1996.

“**The Board**” or the “**Board of Directors**” means the collective body of the Directors of the Company.

“**Capital**” means the share capital, for the time being, raised or authorized to be raised, for purposes of the Company.

“**Company**” or “**this Company**” means “**SAFFRON SPECIALITY PAPERS LIMITED**”.

“**Debenture**” includes debenture stock, bonds or any other instrument of the Company evidencing the debts whether constituting the charge on the assets of the Company or not.

“**Depositories Act 1996**” means The Depositories Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force.

“**Depository**” means and includes a company as defined under section 2(1)(e) of the Depositories Act, 1996.

“**Directors**” means a director appointed to the Board of the Company.



“**Dividend**” includes any interim dividend.

“**Extra-ordinary General Meeting**” means an extraordinary general meeting of the members, duly called and constituted, and any adjourned holding thereof.

“**In writing**” or “**written**” include printing, lithography and other modes of representing or reproducing words in a visible form.

“**Member**” means member as defined under section 2(55) of the Companies Act, 2013

“**Memorandum of Association**” means the memorandum of association of the Company or re-enactment thereof for the time being in force.

“**Office**” means the registered office, for the time being, of the Company.

“**Paid-up Capital**” means paid up capital as defined under section 2(64) of the Act.

“**Participant**” means individual/institutions as defined under Section 2(1)(g) of the Depositories Act, 1996.

“**Promoters**” means persons identified in accordance with the definition ascribed to such term in the Companies Act, 2013 and the regulations prescribed by SEBI.

“**Register of Members**” means the Register of Members to be kept pursuant to the Act, and includes index of beneficial owners mentioned by a Depository.

“**The Registrar**” means, Registrar as defined under section 2(75) of the Companies Act, 2013.

“**Secretary**” means a Company Secretary, within the meaning of clause (c) of sub section (1) of section 2 of Company Secretaries Act, 1980, who is appointed by the Company to perform the functions of the Company Secretary under this Act

“**Seal**” means the common seal, for the time being, of the Company.

“**SEBI**” shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.

“**SEBI Listing Regulations**” shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

“**Share**” means a Share in the capital of the Company, and includes stock, except where a distinction between Stock and Shares is express or implied.

“**Ordinary Resolution**” and “**Special Resolution**” shall have the same meaning assigned thereto by the Act.

“**Year**” means a calendar year and “**financial year**” shall have the same meaning as assigned thereto by or under the Companies Act, 2013.

## **B. CONSTRUCTION**

In these Articles (unless the context requires otherwise):

- (i) References to a party shall, where the context permits, include such party’s respective successors, legal heirs and permitted assigns.
- (ii) The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.

- (iii) References to articles and sub-articles are references to Articles and sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and sub-articles herein.
- (iv) Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
- (v) Wherever the words “include,” “includes,” or “including” is used in these Articles, such words shall be deemed to be followed by the words “without limitation”.
- (vi) The terms “hereof”, “herein”, “hereto”, “hereunder” or similar expressions used in these Articles mean and refer to these Articles and not to any Article of these Articles, unless expressly stated otherwise.
- (vii) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of such period is not a Business Day; and whenever any payment is to be made or action to be taken under these Articles is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day following.
- (viii) A reference to a party being liable to another party, or to liability, includes, but is not limited to, any liability in equity, contract or tort (including negligence).
- (ix) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.
- (x) References made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the MCA. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Companies Act, 2013 have been notified.
- (xi) In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

#### **GENERAL AUTHORITY**

**Article 3:** Where the Act requires that the Company cannot undertake any act or exercise any rights or powers or privilege or authority, unless expressly authorized by its Articles, these Articles shall in relation to the Company, be deemed to confer such right, authority or power or privilege and to carry out such transaction as have been permitted by the Act.

#### **CAPITAL AND INCREASE AND REDUCTION THEREOF**

**Article 4:** The Authorized Share Capital of the Company is such amount, as stated, for the time being, or may be varied, from time to time, under the provisions of the Act, in the Clause V of the Memorandum of Association of the Company, divided into such number, classes and descriptions of Shares and into such denominations, as stated therein, and further with such powers to increase the same or otherwise as stated therein.

**Article 5:** The Company may issue the following kinds of shares in accordance with these Articles, the Act and other applicable laws:

- (i) Equity Share Capital: with voting rights; and/or with differential rights as to dividend, voting or otherwise; and
- (ii) Preference Share Capital.

**Article 6:** The Company, in a general meeting, may, from time to time, increase the capital by the creation of new Shares. Such increase in the capital shall be of such aggregate amount and to be divided into such number of Shares of such respective amounts, as the resolution, so passed in that respect, shall prescribe. Subject to the

provisions of the Act, any Shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting, resolving upon the creation thereof, shall direct, and, if no direction be given, as the Directors shall determine, and, in particular, such Shares may be issued with a preferential, restricted or qualified right to dividends, and in the distribution of assets of the Company, on winding up, and with or without a right of voting at general meetings of the Company, in conformity with and only in the manner prescribed by the provisions of the Act. Whenever capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the applicable provisions of the Act.

**Article 7:** Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital and shall be subject to the provisions contained herein with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting or otherwise.

**Article 8:** Subject to the provisions of Section 55 of the Act and the rules made thereunder, the Company shall have the power to issue preference shares, which are liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.

**Article 9:** On the issue of Redeemable Preference Shares under the provisions of the preceding Article, the following provisions shall take effect:

- (i) No such Shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of Shares made for the purpose of the redemption.
- (ii) No such Shares shall be redeemed unless they are fully paid. The period of redemption in case of preference shares shall not exceed the maximum period for redemption provided under Section 55 of the Act;
- (iii) The premium, if any, payable on redemption, must have been provided for, out of the profits of the Company or the Share Premium Account of the Company before, the Shares are redeemed; and
- (iv) Where any such Shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund to be called "Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed and the provisions of the Act, relating to the reduction of the Share Capital of the Company, shall, except as provided in Section 80 of the Act, apply as if "Capital Redemption Reserve Account" were paid up Share capital of the Company.

**Article 10:** Subject to the provisions of the Act, the Company may issue bonus shares to its Members out of (i) its free reserves; (ii) the securities premium account; or (iii) the capital redemption reserve account, in any manner as the Board may deem fit.

**Article 11:** The Company may issue any debentures, debenture-stock or other securities at a discount, premium or otherwise, if permissible under the Act, and may be issued on the condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawings, allotment of shares, attending (but not voting) at general meetings, appointment of Directors and otherwise. Debentures with the rights to conversion into or allotment of shares shall not be issued except with the sanction of the Company in a general meeting by a special resolution and subject to the provisions of the Act.

**Article 12:** Subject to the provisions of the Act, the Company shall have the power to make compromise or make arrangements with creditors and members, consolidate, demerge, amalgamate or merge with other company or companies in accordance with the provisions of the Act and any other applicable laws.

**Article 13:** Subject to Section 66 of the Companies Act, 2013, the Company may by special resolution, reduce its capital and any Capital Redemption Reserve Account or Other Premium Account, for the time being, in any manner, authorized by law, and, in particular, without prejudice to the generality of the foregoing powers, the capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power, the Company would have, if it were omitted.

**Article 14:** Subject to the applicable provisions of the Act, the Company, in general meeting, may, from time to time, sub-divide, reclassify or consolidate its Shares or any of them, and the resolution whereby any Share is sub-divided, may determine that, as between the holders of the Shares resulting from such sub-division, one or more

of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other or others. Subject as aforesaid, the Company, in general meeting, may also cancel Shares, which have not been taken or agreed to be taken by any person, and diminish the amount of its Share capital by the amount of the Shares so cancelled.

**Article 15:** Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the applicable provisions of the Act, be modified, commuted, affected or abrogated, or dealt with by an agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified, in writing, by holders of at least three-fourths in nominal value of the issued Shares of the class or is confirmed by a special resolution passed at a separate general meeting of the holders of Shares of that class and all the provisions hereinafter contained as to general meetings, shall, mutatis mutandis, apply to every such meeting.

## **SHARES AND CERTIFICATES**

**Article 16:** The Company shall keep or cause to be kept a Register and Index of Members, in accordance with the applicable Sections of the Act. The Company shall be entitled to keep, in any State or Country outside India, a Branch Register of Members, in respect of those residents in that State or Country.

**Article 17:** The Shares, in the capital, shall be numbered progressively according to their several classes and denominations, and, except in the manner hereinabove mentioned, no Share shall be sub-divided. Every forfeited or surrendered Share may continue to bear the number by which the same was originally distinguished with, or as may be otherwise, as may be decided by the Board of Directors or required by any other authority, as may be, for the time being, in force.

### **Article 18: Further Issue of Shares**

- (a) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of Shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further Shares either out of the unissued or out of the increased Share capital then, such further Shares shall be offered to:
- (a) the persons who at on date specified under the applicable law, are holders of the Equity Shares of the Company, in proportion by sending a letter of offer subject to the conditions set below, as near as circumstances admit, to the capital paid up on those Shares at that date:
- (i) Such offer shall be made by a notice specifying the number of Shares offered and limiting a time not less than fifteen days and not exceeding thirty days from the date of the offer within which the offer if not accepted, will be deemed to have been declined;
- (ii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him in favour of any other person and the notice referred to in sub-clause (i) hereof shall contain a statement of this right provided that the Directors may decline, without assigning any reason to allot any Shares to any person in whose favour any member may, renounce the Shares offered to him;
- (iii) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company; or
- (b) employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to the rules and such other conditions, as may be prescribed under the law
- (b) Notwithstanding anything contained in sub-clause (i) thereof, the further Shares aforesaid may be offered to any persons, if it is authorized by a special resolution, (whether or not those persons include the persons referred to in clause (a) of sub-clause (i) hereof) in any manner either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the compliance with the applicable provisions of Chapter III and any other conditions as may be prescribed in the Act and the rules made thereunder.

- (c) The notice referred to in sub-clause (a) of clause (i) hereof shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least 3 (three) days before the opening of the issue.
- (d) Nothing in sub-clause (c) of (i) hereof shall be deemed:
  - (a) To extend the time within the offer should be accepted; or
  - (b) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the remuneration was first made has declined to take the Shares comprised in the renunciation.
- (e) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the Debenture issued or loans raised by the Company to convert such Debenture or loans into Shares in the Company. Provided that the terms of issue of such Debentures or the terms of such loans include a term containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in general meeting.
- (f) The provisions contained in this Article shall be subject to the provisions of the section 42 and section 62 of the Act and other applicable provisions of the Act and rules framed thereunder.

**Article 19: Shares at the disposal of the Board**

Subject to the provisions of Section 62 of the Companies Act, 2013 and the rules made thereunder and these Articles of the Company for the time being, the Shares shall be under the control of the Board 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 or discount, subject to Sections 53 and 54 of the Act, and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give any person or persons the option or right to call for any Shares either at par or premium or discount, subject to Sections 53 and 54 of the Act, during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call of Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting. The Board shall cause to be filed the returns as to allotment as may be prescribed from time to time.

**Article 20:** In addition to and without derogating from the powers for that purpose conferred on the Board under the preceding two Articles, the Company, in general meeting, may determine that any Shares, whether forming part of the original capital or of any increased capital of the Company, shall be offered to such persons, whether or not the members of the Company, in such proportion and on such terms and conditions and, subject to compliance with the provisions of applicable provisions of the Act, either at a premium or at par, as such general meeting shall determine and with full power to give any person, whether a member or not, the option to call for or be allotted Shares of any class of the Company either, subject to compliance with the applicable provision of the Act, at a premium or at par, such option being exercisable at such times and for such consideration as may be directed by such general meeting, or the Company in general meeting may make any other provision whatsoever for the issue, allotment or disposal of any Shares.

**Article 21:** Any application signed by or on behalf of an applicant for subscription for Shares in the Company, followed by an allotment of any Shares therein, shall be an acceptance of Shares within the meaning of these Articles, and every person, who, thus or otherwise, accepts any Shares and whose name is entered on the Register shall, for the purpose of these Articles, be a member.

**Article 22:** The money, if any, which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly, in the manner prescribed by the Board.

**Article 23:** Every member or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his Share or Shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time, in accordance with the Regulations of the Company, require or fix for the payment thereof.

**Article 24:**

- (i) Every Member shall be entitled, without payment, to one or more certificates in marketable lots, for all the Shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such Shares and the Company shall complete and have ready for delivery such certificates within the time specified by the law applicable at the time. Every certificate of shares shall be in the form and manner specified in the Articles and in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to the first named joint holders shall be sufficient delivery to all such holders.
- (ii) Particulars of every Share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.
- (iii) Any two or more joint allottees, in respect of a Share, shall, for the purpose of this Article, be treated as a single member, and the certificate of any Share, which may be subject of joint ownership, may be delivered to the person named first in the order or otherwise even to any one of such joint owners, on behalf of all of them. For any further certificate, the Board shall be entitled but shall not be bound to prescribe a charge not exceeding Rupee 50(fifty) per such certificate. In this respect, the Company shall comply with the applicable provisions, for the time being, in force, of the Act.
- (iv) A director may sign a Share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Directors shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

**Article 25:**

- (i) The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to receive from any member willing to advance the same, all or any part of the amount of his Shares beyond the sums actually called up and upon the monies so paid in advance or upon so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advances has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall on any Share may carry interest but shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. The member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.  
The Provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.
- (ii) When a new Share certificate has been issued in pursuance of the preceding clause of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Issued in lieu of Share Certificate No. \_\_\_ sub-divided/ replaced/ on consolidation of Shares".
- (iii) If any certificate be worn out, defaced, mutilated, or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, and a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees in accordance with law applicable at the time and as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

The provision of this Article shall mutatis mutandis apply to debentures of the Company. When a new Share certificate has been issued in pursuance of the preceding clause of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "DUPLICATE. Issued in lieu of Share Certificate No. \_\_\_\_" The word "DUPLICATE" shall be stamped or punched in bold letters across the face of the Share certificate.

- (iv) Where a new Share certificate has been issued in pursuance of clause (i) or clause (iii) of this Article, particulars of every such Share certificate shall be entered in a Register of Renewed and Duplicate Share Certificates, indicating against the names of the person or persons to whom the certificate is issued, the number and date of issue of the Share certificate, in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in the "Remarks" column.
- (v) All blank forms to be issued for issue of Share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively numbered, whether by machine, hand or otherwise, and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary, where there is no Secretary, the Managing Director or Whole time Director, and where there is no such director, the Chairman of the Board, for the time being, or otherwise of such other person, as the Board may appoint for the purpose, and the Secretary, such director, Chairman or such other person shall be responsible for rendering an account of these forms to the Board.
- (vi) The Managing Director of the Company, for the time being, or, if the Company has no Managing Director, every director of the Company shall be severally responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of Share certificates except the blank forms of Share certificates referred to in Clause (vi) of this Article.
- (vii) All books referred to in clause (vii) of this Article shall be preserved in good order permanently, or for such period as may be prescribed by the Act or the Rules made thereunder.

**Article 26:** If any Share stands in the names of two or more persons, the person first named, in the Register, shall, as regards receipt of dividends or bonus or service of notices and all or any matter connected with the Company, except voting at meetings and the transfer of the Shares, be deemed the sole holder thereof but the joint holders of a Share shall be severally as well as jointly liable for the payment of all instalments of calls due in respect of such Share and for all incidents otherwise.

**Article 27:** Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize any equitable, contingent, future or partial interest in any Share, or, except only as is, by these presents, otherwise expressly provided, any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person, from time to time, registered as the holder thereof, but the Board shall be, at liberty, at their sole discretion, to register any Share in the joint names of any two or more persons or the survivor or survivors of them.

**Article 28:** Subject to the provisions of Sections 68 to 70 of the Act 2013 and the rules thereunder, the Company may purchase its own Shares or other specified securities out of free reserves, the securities premium account or the proceeds of issue of any Share or specified securities.

**Article 29:** Subject to the provisions contained in sections 68 to 70 and all applicable provisions of the Act and subject to such approvals, permissions, consents and sanctions from the concerned authorities and departments, including the SEBI, Registrar and the Reserve Bank of India, if any, the Company may, by passing a special resolution at a general meeting, purchase its own Shares or other specified securities (hereinafter referred to as 'buy-back') from its existing Shareholders on a proportionate basis and/or from the open market and/or from the lots smaller than market lots of the securities (odd lots), and/or the securities issued to the employees of the Company pursuant to a scheme of stock options or sweat Equity, from out of its free reserves or out of the securities premium account of the Company or out of the proceeds of any issue made by the Company specifically for the purpose, on such terms, conditions and in such manner as may be prescribed by law from time to time;

provided that the aggregate of the securities so bought back shall not exceed such number as may be prescribed under the Act or Rules made from time to time.

## **COMMISSION AND BROKERAGE**

**Article 30:** Subject to the provisions of Section 40 of the Act 2013 and the rules thereof, the Company may, at any time, pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any Shares in or Debentures of the Company or procuring or agreeing to procure the subscribers, whether absolutely or conditional, for any Shares in or Debentures of the Company, but so that the rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under subsection (6) of Section 40 of the Act, and such commission may be satisfied in any such manner, including the allotment of the fully or partly paid up Shares or Debentures, as the case may be, as the Board thinks fit and proper.

**Article 31:** Subject to the provisions of the Act, the Company may pay a reasonable sum for brokerage.

## **CALLS**

**Article 32:** The Board may, from time to time, subject to the terms on which any Shares may have been issued and subject to the conditions of allotment, by a resolution passed only at a duly constituted meeting of the Board, make such call, as it thinks fit, upon the members in respect of all moneys unpaid on the Shares held by them respectively and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by instalments.

**Article 33:** 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.

**Article 34:** At least fourteen days' notice, in writing, of any call, shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call be paid.

**Article 35:** A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board.

**Article 36:** The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members whom owing to their residence at a distance or other cause, the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension, save as a matter of grace and favour.

**Article 37:** A call may be revoked or postponed at the discretion of Board.

**Article 38:** All calls shall be made on a uniform basis on all shares falling under the same class.

**Article 39:** The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.

**Article 40:** If any members fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall, from time to time, be fixed by the Board, but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member, the Board shall be at liberty to waive payment of any such interest wholly or in part.

**Article 41:** 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 Articles, be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and, in the case of non-payment, all the relevant provisions of these Articles 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.

**Article 42:** On the trial or hearing of any action or suit brought by the Company against any member or his representative for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the member, in respect of whose Shares the money is sought to be recovered,



appears or is entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered, is alleged to have become due on the Shares in respect of which money is sought to be recovered, and that the resolution making the call is duly recorded in the minute book, and that notice, of which call, was duly given to the member or his representatives and used in pursuance of these Articles, and it shall not be necessary to prove the appointment of the Directors who made such call, and not that a quorum of Directors was present at the meeting of the Board at which any call was made, and nor that the meeting, at which any call was made, has duly been convened or constituted nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive of the debt.

**Article 43:** Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his Shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.

**Article 44:**

- (i) The Board may, if it thinks fit, agree to and receive from any member willing to advance the same all or any part of the amounts of his respective Shares beyond the sums actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and, at any time thereafter, as exceeds the amount of the calls then made upon and due in respect of the Shares on account of which such advances are made, the Board may pay or allow interest at such rate, as the member paying the sum in advance and the Board agrees upon, subject to the provisions of the Act. The Board may agree to repay, at any time, any amount so advanced or may, at any time, repay the same upon giving to the member 3 (Three) months' notice, in writing, provided that moneys paid, in advance of calls, on any Shares may carry interest but shall not confer a right to dividend or to participate in profits.
- (ii) No member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him, until the same would, but for such payment, become presently payable. The provisions of this Article shall *mutatis mutandis* apply to any calls on debentures of the Company.

**LIEN**

**Article 45:**

- (i) The Company shall have a first and paramount lien upon all the Shares/Debentures (other than fully paid-up Shares/Debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/Debentures and no equitable interest in any Shares shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in all respect of such Shares/Debentures. Unless otherwise agreed, the registration of a transfer of Shares/Debentures shall operate as a waiver of the Company's lien, if any, on such Shares/Debentures. The Directors may at any time declare any Shares/Debentures wholly or in part to be exempt from the provisions of this clause.
- (ii) Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares

**Article 46:** For the purpose of enforcing such lien, the Board may sell the Shares, subject thereto, in such manner, as it shall think fit, and, for that purpose, may cause to be issued a duplicate certificate in respect of such Shares, and may authorize one of their members to execute a transfer thereof, on behalf of and in the name of such manner. 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 (a) 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.

**Article 47:** The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount, in respect of which the lien exists, as is presently payable, and the residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the persons entitled to the Shares at the date of the sale.

**Article 48:** A member shall exercise any voting rights in respect of the shares in regard to which the Company has exercised the right of Lien.

## **FORFEITURE OF SHARES**

**Article 49:** If any member fails to pay any call or instalment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or instalment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

**Article 50:** The notice shall name a day, not being less than 14 (Fourteen) days from the date of the notice, and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state, that, in the event of the non-payment at or before the time and at the place appointed, the Shares, in respect of which the call was made or instalment is payable, will be liable to be forfeited.

**Article 51:** If the requirements of any such notice, as aforesaid, shall not be complied with, every or any Share, in respect of which such notice has been given, may, at any time thereafter, before payment of all calls or instalments, interest and expenses, as may be due in respect thereof, be forfeited by a resolution of the Board to that effect. Subject to the provisions of the Act, such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.

**Article 52:** When any Share shall have been so forfeited, notice of the forfeiture shall be given to the member, in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof, shall, forthwith, be made in the Register of Members. But no forfeiture shall be, in any manner, invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

**Article 53:** Any Share, so forfeited, shall be deemed to be the property of the Company, and may be sold, re-allotted or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.

**Article 54:** Any member, whose Shares have been forfeited, shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand, all calls, instalments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereof, until payment, at such rate, as the Board may determine, and the Board may enforce the payment thereof, if it thinks fit.

**Article 55:** The forfeiture of a Share shall involve extinction, at the time of the forfeiture, of all interests in and all claims and demands against the Company, in respect of such Share and all other rights, incidental to the Share, except only such of those rights as by these presents are expressly saved.

**Article 56:** A declaration, in writing, that the declarant is a director or Secretary of the Company and that a Share in the Company has duly been forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Shares.

**Article 57:** Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold, and cause the purchaser's name to be entered in the Register, in respect of the Shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and, after his name has been entered in the Register, in respect of such Shares, the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and exclusively against the Company and no one else.

**Article 58:** Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued, in respect of the relative Shares, shall, unless the same shall, on demand by the Company, have been previously surrendered to it by the defaulting member, stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates, in respect of the said Shares, to the person or persons entitled thereto.

## **TRANSFER AND TRANSMISSION OF SHARES**

**Article 59:** The Company shall keep the “Register of Transfers” and therein shall fairly and distinctly enter particulars of every transfer or transmission of any Share.

**Article 60:** No transfer shall be registered unless a proper instrument of transfer has been delivered to the Company. A common form of transfer shall be used. Every instrument of transfer shall be in writing and all provisions of the Act, the rules and applicable laws shall be duly complied with. The instrument shall also be duly stamped, under the relevant provisions of the Law, for the time being, in force, and shall be signed by or on behalf of the transferor and the transferee, and in the case of a Share held by two or more holders or to be transferred to the joint names of two or more transferees by all such joint holders or by all such joint transferees, as the case may be, and the transferor or the transferors, as the case may be, shall be deemed to remain the holder or holders of such Share, until the name or names of the transferee or the transferees, as the case may be, is or are entered in the Register of Members in respect thereof. Several executors or administrators of a deceased member, proposing to transfer the Share registered in the name of such deceased member, or the nominee or nominees earlier appointed by the said deceased holder of Shares, in pursuance of the Article 88, shall also sign the instrument of transfer in respect of the Share, as if they were the joint holders of the Share.

**Article 61:** Shares in the Company may be transferred by an instrument, in writing, in the form, as shall, from time to time, be approved by the Directors provided that, if so, required by the provisions of the Act, such instrument of Transfer shall be in the form prescribed thereunder and shall be duly stamped and delivered to the Company within the prescribed period. All the provisions of Section 56 of the Act, 2013 shall be duly complied with in respect of all transfers of Shares and registration thereof.

**Article 62:** The Board shall have power, on giving 7 (Seven) days’ previous notice, by advertisement in some newspaper circulating in the district in which the Registered Office of the Company is, for the time being, situated, to close the transfer books, the Register of Members of Register of Debenture holders, at such time or times and for such periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year, as it may seem expedient.

**Article 63:** Subject to the provisions of Section 58 and 59 of the Companies Act 2013, these Articles and any other applicable provisions of the Act or any other law for the time being in force, the Board may, refuse, whether in pursuance of any power of the Company under these Articles or otherwise, to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a member in, or Debentures of the Company. The Company shall within the time required under the law applicable at that time send to the transferee and transferor or to the person giving intimation of such transmission, as the case may be, notice of the refusal to register such transfer, giving reasons for such refusal provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the Shares.

**Article 64:** An application for the registration of a transfer of Shares in the Company may be made either by the transferor or the transferee. Where such application is made by a transferor and relates to partly paid Shares, the Company shall give notice of the application to the transferee. The transferee may, within two weeks from the date of the receipt of the notice and not later, object to the proposed transfer. The notice to the transferee shall be deemed to have been duly given, if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been delivered at the time when it would have been delivered in the ordinary course of post.

**Article 65:** In the case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognized by the Company as having any title to or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him jointly with any other person.

**Article 66:** Subject to the provisions of Article 87 hereunder, the executors or administrators or holders of a such Succession Certificate or the legal representative of a deceased member, not being one of two or more joint holders, shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such member, and the Company shall not be bound to recognize such executors or administrators or holders of a Succession Certificate or the legal representatives, unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case

may be, from a duly constituted Court in the Union of India, provided that, in cases, the Board may dispense with production of probate or letters of Administration or Succession Certificate upon such terms as to indemnify or otherwise, as the Board, in its absolute discretion, may think necessary, in the circumstances thereof, and, in pursuance of the Article 61 herein under, register the name of any person, who claims to be absolutely entitled to the Shares standing in the name of a deceased member, as a member.

**Article 67:** No Share shall, in any circumstances, be transferred to any infant, insolvent or person of unsound mind, and that no Share, partly paid up, be issued, allotted or transferred to any minor, whether alone or along with other transferees or allottees, as the case may be.

**Article 68:** So long as the director having unlimited liability has not discharged all liabilities, whether present or future, in respect of the period for which he is and continues to be, so long, liable, he shall not be entitled to transfer the Shares held by him or cease to be a member of the Stock Exchange(s) to the end and intent that he shall continue to hold such minimum number of Shares as were held by him prior to his becoming a director with unlimited liability.

**Article 69:** Subject to the provisions of Articles 64, 65 and 87 hereof, any person becoming entitled to Shares in consequences of the death, lunacy, bankruptcy or insolvency or any member, or the marriage of any female member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Board, which it shall not be under any obligation to give, upon producing such evidence that he sustains the character in respect of which he proposes to act under the Article or of his title, as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person, nominated by him and approved by the Board, registered as such person, provided, nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein to in these Articles as "The Transmission Article".

**Article 70:** Subject to the provisions of the Act, a person entitled to a Share by transmission shall, subject to the right of the Directors to retain such dividend or money as hereinafter provided, be entitled to receive and may be given a discharge for, any dividends or other moneys payable in respect of the Share.

**Article 71:** No fees shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar document.

**Article 72:** The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof, as shown or appearing in the Register of Members, to the prejudice of persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting of such transfer, and may have entered such notice, referred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

## **DEMATERIALIZATION OF SECURITIES**

**Article 73:** Notwithstanding anything contained in the Articles, the Company shall be entitled to dematerialize its shares, debentures and other securities and offer such shares, debentures and other securities in a dematerialized form pursuant to the Depositories Act 1996.

**Article 74:** Notwithstanding anything contained in the Articles, and subject to the provisions of the law for the time being in force, the Company shall on a request made by a beneficial owner, re-materialize the shares, which are in dematerialized form.

**Article 75:** Every Person subscribing to the shares offered by the Company shall have the option to receive share certificates or to hold the shares with a Depository. Where Person opts to hold any share with the Depository, the Company shall intimate such Depository of details of allotment of the shares to enable the Depository to enter in its records the name of such Person as the beneficial owner of such shares. Such a Person who is the beneficial owner of the shares can at any time opt out of a Depository, if permitted by the law, in respect of any shares in the manner provided by the Depositories Act 1996 and the Company shall in the manner and within the time

prescribed, issue to the beneficial owner the required certificate of shares. In the case of transfer of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act 1996 shall apply.

**Article 76:** If a Person opts to hold his shares with a Depository, the Company shall intimate such Depository the details of allotment of the shares, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the shares.

**Article 77:** All shares held by a Depository shall be dematerialized and shall be in a fungible form.

- (a) Notwithstanding anything to the contrary contained in the Act or the Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of shares on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the Depository as the registered owner of the shares shall not have any voting rights or any other rights in respect of shares held by it.

**Article 78:** Every person holding shares of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be the owner of such shares and shall also be deemed to be a shareholder of the Company. The beneficial owner of the shares shall be entitled to all the liabilities in respect of his shares which are held by a Depository. The Company shall be further entitled to maintain a register of members with the details of members holding shares both in material and dematerialized form in any medium as permitted by law including any form of electronic medium.

**Article 79:** Notwithstanding anything in the Act or the Articles to the contrary, where shares are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of disks, drives or any other mode as prescribed by law from time to time.

**Article 80:** Nothing contained in the Act or the Articles regarding the necessity to have distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

## **CONVERSION OF SHARES INTO STOCK AND RECONVERSION**

**Article 81:** The Company, by resolution in general meeting, may convert any paid-up Shares into stock, or may, at any time, reconvert any stock into paid up Shares of any denomination. When any Shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein, or any part of such interest, in the same manner and, subject to the same regulations as to which Shares in the Company may be transferred or as near thereto as circumstances will admit. But the Directors may, from time to time, if they think fit, fix the minimum amount of stock transferable, and restrict or forbid the transfer of fractions of that minimum, but with full power nevertheless, at their discretion, to waive such rules in any particular case. The notice of such conversion of Shares into stock or reconversion of stock into Shares shall be filed with the Registrar of Companies as provided in the Act.

**Article 82:** The Stock shall confer on the holders thereof respectively the same privileges and advantages, as regards participation in profits and voting at meetings of the Company and, for other purposes, as would have been conferred by Shares of equal amount in the capital of the Company of the same class as the Shares from which such stock was converted but no such privilege or advantage, except the participation in profits of the Company, or in the assets of the Company on a winding up, shall be conferred by any such aliquot part or, consolidated stock as would not, if existing in Shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preference or other special privilege attached to the Shares so converted. Save as aforesaid, all the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to Shares and the words "Share" and "Shareholder" in these presents shall include "stock" and "stockholder".

**Article 83:** The Company may issue Share warrants in the manner provided by the said Act and accordingly the Directors may, in their discretion, with respect to any fully paid up Share or stock, on application, in writing, signed by the person or all persons registered as holder or holders of the Share or stock, and authenticated by such evidence, if any, as the Directors may, from time to time, require as to the identity of the person or persons signing the application, and on receiving the certificate, if any, of the Share or stock and the amount of the stamp duty on the warrant and such fee as the Directors may, from time to time, prescribe, issue, under the Seal of the Company, a warrant, duly stamped, stating that the bearer of the warrant is entitled to the Shares or stock therein specified,

and may provide by coupons or otherwise for the payment of future dividends, or other moneys, on the Shares or stock included in the warrant. On the issue of a Share warrant the names of the persons then entered in the Register of Members as the holder of the Shares or stock specified in the warrant shall be struck off the Register of Members and the following particulars shall be entered therein.

- (i) fact of the issue of the warrant.
- (ii) a statement of the Shares or stock included in the warrant distinguishing each Share by its number, and
- (iii) the date of the issue of the warrant.

**Article 84:** A Share warrant shall entitle the bearer to the Shares or stock included in it, and, notwithstanding anything contained in these articles, the Shares or stock shall be transferred by the delivery of the Share-warrant, and the provisions of the regulations of the Company with respect to transfer and transmission of Shares shall not apply thereto.

**Article 85:** The bearer of a Share-warrant shall, on surrender of the warrant to the Company for cancellation, and on payment of such fees, as the Directors may, from time to time, prescribe, be entitled, subject to the discretion of the Directors, to have his name entered as a member in the Register of Members in respect of the Shares or stock included in the warrant.

**Article 86:** The bearer of a Share-warrant shall not be considered to be a member of the Company and accordingly save as herein otherwise expressly provided, no person shall, as the bearer of Share-warrant, sign a requisition for calling a meeting of the Company, or attend or vote or exercise any other privileges of a member at a meeting of the Company, or be entitled to receive any notice from the Company of meetings or otherwise, or qualified in respect of the Shares or stock specified in the warrant for being a director of the Company, or have or exercise any other rights of a member of the Company.

**Article 87:** The Directors may, from time to time, make rules as to the terms on which, if they shall think fit, a new Share warrant or coupon may be issued by way of renewal in case of defacement, loss, or destruction.

#### **NOMINATION BY SECURITY HOLDER**

##### **Article 88:**

- (i) Every holder of Securities in the Company may, at any time, nominate, in the prescribed manner, a person to whom his Securities in the Company, shall vest in the event of his death.
- (ii) Where the Securities in the Company are held by more than one person jointly, the joint-holders may together nominate, in the prescribed manner, a person to whom all the rights in the Securities in the Company shall vest in the event of death of all joint holders.
- (iii) Notwithstanding anything contained in these Articles or any other law, for the time being, in force, or in any disposition, whether testamentary or otherwise, in respect of such Securities in the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the Securities in the Company, the nominee shall, on the death of the Shareholders of the Company or, as the case may be, on the death of the joint holders, become entitled to all the rights in the Securities of the Company or, as the case may be, all the joint holders, in relation to such securities in the Company, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.
- (iv) In the case of fully paid up Securities in the Company, where the nominee is a minor, it shall be lawful for the holder of the Securities, to make the nomination to appoint in the prescribed manner any person, being a guardian, to become entitled to Securities in the Company, in the event of his death, during the minority.

##### **Article 89:**

- (i) Any person who becomes a nominee by virtue of the provisions of the preceding Article, upon the production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either –
  - (a) to be registered himself as holder of the Share(s); or

- (b) to make such transfer of the Share(s) as the deceased Shareholder could have made.
- (ii) If the person being a nominee, so becoming entitled, elects to be registered as holder of the Share(s), himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects, and such notice shall be accompanied with the death certificate of the deceased shareholder.
- (iii) All the limitations, restrictions and provisions of the Act relating to the right to transfer and the registration of transfers of Securities shall be applicable to any such notice or transfer as aforesaid as if the death of the member had not occurred and the notice or transfer has been signed by that Shareholder.
- (iv) A person, being a nominee, becoming entitled to a Share by reason of the death of the holder, shall be entitled to the same dividends and other advantages which he would be entitled if he were the registered holder of the Share except that he shall not, before being registered a member in respect of his 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(s) and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Share(s) or until the requirements of the notice have been complied with.

## **MEETING OF MEMBERS**

### **Article 90:**

- (i) The Company shall, in each year, hold a general meeting as its Annual General Meeting. Any meeting, other than Annual General Meeting, shall be called Extra-ordinary General Meeting.
- (ii) Not more than 15 (Fifteen) months or such other period, as may be prescribed, from time to time, under the Act, shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of the Act to extend time within which any Annual General Meeting may be held.
- (iii) Every Annual General Meeting shall be called for a time during business hours i.e., between 9 a.m. and 6 p.m., on a day that is not a National Holiday, and shall be held at the Office of the Company or at some other place within the city, in which the Office of the Company is situated, as the Board may think fit and determine and the notices calling the Meeting shall specify it as the Annual General Meeting.
- (iv) Every member of the Company shall be entitled to attend, either in person or by proxy, and by way of a postal ballot whenever and in the manner as may permitted or prescribed under the provisions of the Act, and the Auditors to the Company, who shall have a right to attend and to be heard, at any general meeting which he attends, on any part of the business, which concerns him as the Auditors to the Company, further, the Directors, for the time being, of the Company shall have a right to attend and to be heard, at any general meeting, on any part of the business, which concerns them as the Directors of the Company or generally the management of the Company.
- (v) At every Annual General Meeting of the Company, there shall be laid, on the table, the Directors' Report and Audited Statements of Account, Auditors' Report, the proxy Register with forms of proxies, as received by the Company, and the Register of Directors' Share holdings, which Register shall remain open and accessible during the continuance of the meeting, and therefore in terms of the provisions of Section 96 of the Act, the Annual General Meeting shall be held within six months after the expiry of such financial year. The Board of Directors shall prepare the Annual List of Members, Summary of the Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with the applicable provisions of the Act.

**Article 91:** The Board may, whenever it thinks fit, call an Extra-ordinary General Meeting and it shall do so upon a requisition, in writing, by any member or members holding, in aggregate not less than one-tenth or such other proportion or value, as may be prescribed, from time to time, under the Act, of such of the paid-up capital as at that date carries the right of voting in regard to the matter, in respect of which the requisition has been made.

**Article 92:** Any valid requisition so made by the members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the office, provided that such requisition may consist of several documents, in like form, each of which has been signed by one or more requisitionists.

**Article 93:** Upon receipt of any such requisition, the Board shall forthwith call an Extra-ordinary General Meeting and if they do not proceed within 21 (Twenty-one) days or such other lesser period, as may be prescribed, from time to time, under the Act, from the date of the requisition, being deposited at the office, to cause a meeting to be called on a day not later than 45 (Forty-five) days or such other lesser period, as may be prescribed, from time to time, under the Act, from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid up Share capital held by all of them or not less than one-tenth of such of the paid up Share Capital of the Company as is referred to in Section 100(4) of the Act, whichever is less, may themselves call the meeting, but, in either case, any meeting so called shall be held within 3 (Three) months or such other period, as may be prescribed, from time to time, under the Act, from the date of the delivery of the requisition as aforesaid.

**Article 94:** Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible as that in which such meetings are to be called by the Board.

**Article 95:** At least 21 (Twenty-one) days' notice, of every general meeting, Annual or Extra-ordinary, and by whomsoever called, specifying the day, date, place and hour of meeting, and the general nature of the business to be transacted there at, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company, provided that in the case of an General Meeting, with the consent of members holding not less than 95 per cent of such part of the paid up Share Capital of the Company as gives a right to vote at the meeting, a meeting may be convened by a shorter notice. In the case of an Annual General Meeting of the Shareholders of the Company, if any business other than

- (i) the consideration of the Accounts, Balance Sheet and Reports of the Board and the Auditors thereon
- (ii) the declaration of dividend,
- (iii) appointment of directors in place of those retiring,
- (iv) the appointment of, and fixing the remuneration of, the Auditors,

is to be transacted, and in the case of any other meeting, in respect of any item of business, a statement setting out all material facts concerning each such item of business, including, in particular, the nature and extent of the interest, if any, therein of every director and manager, if any, where any such item of special business relates to, or affects any other company, the extent of shareholding interest in that other company or every director and manager, if any, of the Company shall also be set out in the statement if the extent of such Share-holding interest is not less than such percent, as may be prescribed, from time to time, under the Act, of the paid-up Share Capital of that other Company.

Where any item of business consists of the according of approval of the members to any document at the meeting, the time and place, where such document can be inspected, shall be specified in the statement aforesaid.

**Article 96: The accidental omission to give any such notice as aforesaid to any of the members, or the non-receipt thereof shall not invalidate any resolution passed at any such meeting.**

**Article 97:** No general meeting, whether Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.

**Article 98:** Subject to the provisions of the Act and these Articles, five(5) shareholders shall constitute quorum in Shareholders' Meetings of the Company if number of shareholders as on date of meeting is not more than One Thousand; Fifteen (15) shareholders shall constitute quorum in Shareholders' Meetings of the Company if number of shareholders as on date of meeting is more than One Thousand but not more than Five Thousand; Thirty (30) shareholders shall constitute quorum in Shareholders' Meetings of the Company if number of shareholders as on date of meeting exceeds five thousand.

**Article 99:** A body corporate, being a member, shall be deemed to be personally present, if it is represented in accordance with and in the manner as may be prescribed by, the applicable provisions of the Act.



**Article 100:** If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, then the meeting, if convened by or upon the requisition of members, shall stand dissolved, but in any other case, it shall stand adjourned to such time on the following day or such other day and to such place, as the Board may determine, and, if no such time and place be determined, to the same day in the next week, at the same time and place in the city or town in which the office of the Company is, for the time being, situate, as the Board may determine, and, if at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.

**Article 101:** The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting, whether Annual or Extra-ordinary. If there be no such Chairman, or, if, at any meeting, he shall not be present within 15 (Fifteen) minutes of the time appointed for holding such meeting, then the members present shall elect another director as the Chairman of that meeting, and, if no director be present, or if all the Directors present decline to take the Chair, then the members present shall elect one among them to be the Chairman.

**Article 102:** No business shall be discussed at any general meeting, except the election of a Chairman, whilst the Chair is vacant.

**Article 103:** The Chairman, with the consent of the meeting, may adjourn any meeting, from time to time, and from place to place, in the city or town, in which the office of the Company is, for the time being, situate, but no business shall be transacted at any adjourned meeting, other than the business left unfinished, at the meeting, from which the adjournment took place.

**Article 104:** At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is demanded, before or on the declaration of the result of the show of hands, by any member or members present in person or by proxy and holding Shares in the Company, which confer a power to vote on the resolution not being less than one-tenth or such other proportion as may statutorily be prescribed, from time to time, under the Act, of the total voting power, in respect of the resolution or on which an aggregate sum of not less than Rs. 500,000/- or such other sum as may statutorily be prescribed, from time to time, under the Act, has been paid up, and unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried unanimously or by a particular majority, or has been lost and an entry to that effect in the minutes book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution.

**Article 105:** In the case of an equality of votes, the Chairman shall, both on a show of hands and at a poll, if any, have a casting vote in addition to the vote of votes, if any, to which he may be entitled as a member if he is.

**Article 106:** If a poll is demanded as aforesaid, the same shall, subject to Article 108 hereunder, be taken at Mumbai or, if not desired, then at such other place as may be decided by the Board, at such time not later than 48 (Forty-eight) hours from the time when the demand was made and place in the city or town in which the office of the Company is, for the time being, situate, and, either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment, or otherwise, and the result of the poll shall be deemed to be resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the persons, who made the demand.

**Article 107:** Where a poll is to be taken, the Chairman of the meeting shall appoint one or, at his discretion, two scrutinizers, who may or may not be members of the Company to scrutinize the votes given on the poll and to report thereon to him, subject to that one of the scrutinizers so appointed shall always be a member, not being an officer or employee of the Company, present at the meeting, provided that such a member is available and willing to be appointed. The Chairman shall have power, at any time, before the result of the poll is declared, to remove a scrutinizer from office and fill the vacancy so caused in the office of a scrutinizer arising from such removal or from any other cause.

**Article 108:** Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment of the meeting shall be taken forthwith at the same meeting.

**Article 109:** The demand for a poll, except on questions of the election of the Chairman and of an adjournment thereof, shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

## VOTES OF MEMBERS

**Article 110:** No member shall be entitled to vote either personally or by proxy at any general meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, or has exercised, any right of lien.

**Article 111:** Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions so to voting, for the time being, attached to any class of Shares, for the time being, forming part of the capital of the Company, every member, not disqualified by the last preceding Article shall be entitled to be present, speak and vote at such meeting, and, on a show of hands, every member, present in person, shall have one vote and, upon a poll, the voting right of every member present in person or by proxy shall be in proportion to his Share of the paid-up Equity Share Capital of the Company. Provided, however, if any preference Shareholder be present at any meeting of the Company, subject to the provision of section 47, he shall have a right to vote only on resolutions, placed before the meeting, which directly affect the rights attached to his Preference Shares.

**Article 112:** On a poll taken at a meeting of the Company, a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes, he uses.

**Article 113:** A member of unsound mind or in respect of whom an order has been made by a 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. If any member be a minor, the vote, in respect of his Share or Shares, be used by his guardian, or any one of his guardians, if more than one, to be selected, in the case of dispute, by the Chairman of the meeting.

**Article 114:** If there be joint registered holders of any Shares, any one of such persons may vote at any meeting or may appoint another person, whether a member or not, as his proxy, in respect of such Shares, as if he were solely entitled thereto, but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting, then one of the said persons so present, whose name stands higher on the Register, shall alone be entitled to speak and to vote in respect of such Shares, but the other of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased member in whose name Shares stand shall, for the purpose of these Articles, be deemed joint holders thereof.

**Article 115:** Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate, being a member, may vote either by a proxy or by a representative, duly authorized, in accordance with the applicable provisions, if any, of the Act, and such representative shall be entitled to exercise the same rights and powers, including the right to vote by proxy, on behalf of the body corporate, which he represents, as that body corporate could exercise, if it were an individual member.

**Article 116:** Any person entitled, under the Article 61 hereinabove, to transfer any Share, may vote, at any general meeting, in respect thereof, in the same manner, as if he were the registered holder of such Shares provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to transfer such Shares and give such indemnity, if any, as the Directors may require or the Directors shall have provisionally admitted his right to vote at such meeting in respect thereof.

**Article 117:** Every proxy, whether a member or not, shall be appointed, in writing, under the hand of the appointer or his attorney, or if such appointer is a body corporate under the common seal of such corporate, or be signed by an officer or officers or any attorney duly authorized by it or them, and, for a member of unsound mind or in respect of whom an order has been made by a court having jurisdiction in lunacy, any committee or guardian may appoint such proxy. The proxy so appointed shall not have a right to speak on any matter at the meeting.

**Article 118:** An instrument of Proxy may state the appointment of a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.

**Article 119:** A member, present by proxy, shall be entitled to vote only on a poll.

**Article 120:** The instrument appointing a proxy and a Power of Attorney or other authority, if any, under which it is signed or a notarized certified copy of that power of authority, shall be deposited at the Office not later than 48 (Forty-eight) hours before the time for holding the meeting at which the person named in the Instrument proposes to vote, and, in default, the Instrument of Proxy shall not be treated as valid. No instrument appointing a proxy shall be a valid after the expiration of 12 (Twelve) months or such other period as may be prescribed under the Laws, for the time being, in force, or if there shall be no law, then as may be decided by the Directors, from the date of its execution.

**Article 121:** Every Instrument of proxy, whether for a specified meeting or otherwise, shall, as nearly as circumstances thereto will admit, be in any of the forms as may be prescribed from time to time.

**Article 122:** A vote, given in accordance with the terms of an Instrument of Proxy, shall be valid notwithstanding the previous death of insanity of the principal, or revocation of the proxy or of any power of Attorney under which such proxy was signed or the transfer of the Share in respect of which the vote is given, provided that no intimation, in writing, of the death or insanity, revocation or transfer shall have been received at the Office before the meeting.

**Article 123:** No objections shall be made to the validity of any vote, except at any meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, or not disallowed at such meeting or on a poll, shall be deemed as valid for all purposes of such meeting or a poll whatsoever.

**Article 124:** The Chairman, present at the time of taking of a poll, shall be the sole judge of the validity of every vote tendered at such poll.

**Article 125:**

- (i) The Company shall cause minutes of all proceeding of every general meeting to be kept by making, within 30 (Thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept, whether manually in the registers or by way of loose leaves bound together, as may be decided by the Board of Directors, for that purpose with their pages consecutively numbered.
- (ii) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a director duly authorized by the Board for that purpose.
- (iii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (iv) The minutes of each meeting shall contain a fair and correct summary of the proceedings there at.
- (v) All appointments made at any meeting aforesaid shall be included in the minutes of the meeting.
- (vi) Nothing herein contained shall require or to be deemed to require the inclusion, in any such minutes, of any matter, which, in the opinion of the Chairman of the meeting, (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.
- (vii) Any such minutes shall be conclusive evidence of the proceedings recorded therein.
- (viii) The book containing the minutes of proceedings of general meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than 2 (Two) hours, in each day, as the Directors determine, to the inspection of any member without charge.
- (ix) The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, the SEBI Listing Regulations or any other Law, if applicable to the Company

## DIRECTORS

**Article 126:** Until otherwise determined by a general meeting of the Company and, subject to the applicable provisions of the Act, the number of Directors) shall not be less than three nor more than fifteen, provided that the Company may appoint more than fifteen directors after passing a special resolution. The Company shall have at the minimum such number of independent Directors on the Board of the Company, as may be required in terms of the provisions of applicable law. In addition, not less than two-thirds of the total number of Directors shall be persons whose period of office is liable to determination by retirement of Directors by rotation. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the SEBI Listing Regulations.

The First directors of the Company are:

1. Mr. Devratan S Daga
2. Mr. Vipul R. Desai

### Article 127:

- (i) Whenever, Directors enter into a contract with any Government, whether central, state or local, bank or financial institution or any person or persons (hereinafter referred to as “**the appointer**”) for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever or in case of Promoters of the Company (hereinafter referred as “**Promoters**”), the Directors shall have, subject to the provisions of Section 152 and other applicable provisions, if any, of the Act, the power to agree that such appointer or Promoters shall have the right to appoint or nominate by a notice, in writing, addressed to the Company, one or more Directors on the Board (hereinafter referred to as “**Special Director**”) for such period and upon such terms and conditions, as may be mentioned in the agreement if any, and that such Director or Directors may or may not be liable to retire by rotation, nor be required to hold any qualification Shares. The Directors may also agree that any such Director or Directors may be removed, from time to time, by the appointer or Promoter, entitled to appoint or nominate them and the appointer or Promoter may appoint another or others in his or their place and also fill in vacancy, which may occur as a result of any such director or directors ceasing to hold that office for any reasons whatsoever. The Directors, appointed or nominated under this Article, shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the directors of the Company including payment of remuneration, sitting fees and travelling expenses to such director or directors, as may be agreed by the Company with the appointer.
- (ii) The Company shall have such number of Independent Directors on the Board or Committees of the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, SEBI Listing Regulations or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under the SEBI Listing Regulations.
- (iii) The Special Directors, appointed under the preceding Article, shall be entitled to hold Office until required by the Government, person, firm, body corporate promoters or financial institution/s who may have appointed them. A Special Director shall not be required to hold any qualification Share(s) in the Company. As and when a Special Director vacates Office, whether upon request as aforesaid or by death, resignation or otherwise, the Government, person, firm or body corporate promoters or financial institution, who appointed such Special Director, may appoint another director in his place. Every nomination, appointment or removal of a Special Director or other notification, under this Article, shall be in writing and shall, in the case of the Government, be under the hand of a Secretary or some other responsible and authorized official to such Government, and in the case of a company or financial institution, under the hand of director of such company or institution duly authorized in that behalf by a resolution of the Board of Directors. Subject as aforesaid, a Special Director shall be entitled to the same rights and privileges and be subject to the same of obligations as any other director of the Company.

**Article 128:** If it is provided by the Trust Deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any person or persons shall have power to nominate a director of the Company, then in the case of any and every such issue of Debentures, the person or persons having such power may exercise such power, from time to time, and appoint a director accordingly. Any director so appointed is hereinafter referred to

as “the Debenture Director”. A Debenture Director may be removed from Office, at any time, by the person or persons in whom, for the time being, is vested the power, under which he was appointed, and another director may be appointed in his place. A Debenture Director shall not be required to hold any qualification Share(s) in the Company.

**Article 129:** Subject to the provisions of section 161(2) of the Act, 2013, The Board may appoint an alternate director to act for a director (hereinafter called “the Original Director”) during his absence for a period of not less than 3 (Three) months or such other period as may be, from time to time, prescribed under the Act, from India, in which the meetings of Board are ordinarily held. An alternate director appointed, under this Article, shall not hold Office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate Office, if and when the Original Director returns to that State. If the term of Office of the Original Director is determined before he so returns to that State, any provisions in the Act or in these Articles for the automatic re-appointment of a retiring director, in default of another appointment, shall apply to the original director and not to the alternate director.

**Article 130:** Subject to the provisions of section 161(1) of the Act, 2013, the Board shall have power, at any time and from time to time, to appoint any other qualified person to be an Additional Director, but so that the total number of Directors shall not, at any time, exceed the maximum fixed under these Articles. Any such Additional Director shall hold Office only up to the date of the next Annual General Meeting.

**Article 131:** Subject to the provisions of section 152 and 162 of the Act, 2013, the Board shall have power, at any time and from time to time, to appoint any other qualified person to be a director to fill a casual vacancy. Any person so appointed shall hold Office only up to the date, up to which the director in whose place he is appointed would have held Office if it had not been vacated by him.

**Article 132:** A director shall not be required to hold any qualification Share(s) in the Company.

**Article 133:**

- (i) Subject to the provisions of section 196, 197 and read with schedule V of the Companies Act, 2013 and other provisions of the Act, the Rules, Law including the provisions of the SEBI Listing Regulations, a Managing Director or Director who is in the Whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, or in any other manner, as may be, from time to time, permitted under the Act or as may be thought fit and proper by the Board or, if prescribed under the Act, by the Company in general meeting.
- (ii) Subject generally to the provisions of the Act, and, in the case of the Managing Director, subject to the provisions of the Articles herein below, as may be applicable, the Board shall have power to pay such remuneration to a director for his services, Whole-time or otherwise, rendered to the Company or for services of professional or other nature rendered by him, as may be determined by the Board. If any director, being willing, shall be called upon to perform extra services or make any special exception in going to or residing at a place other than the place where the director usually resides, or otherwise in or for the Company’s business or for any of the purpose of the Company, then, subject to the provisions of the Act, the Board shall have power to pay to such director such remuneration, as may be determined by the Board.
- (iii) Subject to the provisions of the Act, a director, who is neither in the Whole-time employment nor a Managing Director, may be paid remuneration either;
  - (a) by way of monthly, quarterly or annual payment with the approval of the Central Government; or
  - (b) by way of commission, if the Company, by a special resolution, authorizes such payment.
- (iv) The fee payable to a director, excluding a Managing or Whole time Director, if any, for attending a meeting of the Board or Committee thereof shall be such sum, as the Board may, from time to time, determine, but within and subject to the limit prescribed by the Central Government pursuant to the provisions, for the time being, under the Act.

**Article 134:** The Board may allow and pay to any director such sum, as the Board may consider fair compensation, for travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified and if any director be called upon to go or reside out of the ordinary place of his residence for the

Company's business, he shall be entitled to be repaid and reimbursed of any travelling or other expenses incurred in connection with business of the Company. The Board may also permit the use of the Company's car or other vehicle, telephone(s) or any such other facility, by the director, only for the business of the Company.

**Article 135:** The continuing Directors may act, notwithstanding, any vacancy in their body but if, and so long as their number is not reduced below the minimum number fixed by Article 111 hereof. the continuing Directors, not being less than two, may only act, for the purpose of increasing the number of Directors to that prescribed minimum number or of summoning a general meeting but for no other purpose.

**Article 136:** The office of director shall be vacated, pursuant to the provisions of section 164 and section 167 of the Companies Act, 2013. Further, the Director may resign his office by giving notice to the Company pursuant to section 168 of the Companies Act, 2013

**Article 137:** The Company shall keep a Register, in accordance with Section 189(1) of the Act, and within the time as may be prescribed, enter therein such of the particulars, as may be relevant having regard to the application thereto of Section 184 or Section 188 of the Act, as the case may be. The Register aforesaid shall also specify, in relation to each director of the Company, names of the bodies corporate and firms of which notice has been given by him, under the preceding two Articles. The Register shall be kept at the Office of the Company and shall be open to inspection at such Office, and the extracts may be taken there from and copies thereof may be required by any member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 189(3) of the Act shall apply accordingly.

**Article 138:** A director may be or become a director of any other Company promoted by the Company or in which it may be interested as a vendor, Shareholder or otherwise, and no such director shall be accountable for any benefits received as director or Shareholder of such Company except in so far as the provisions of the Act may be applicable.

**Article 139:**

- (i) At every Annual General Meeting of the Company, one-third of such of the Directors, for the time being, as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from Office. The Independent, Nominee, Special and Debenture Directors, if any, shall not be subject to retirement under this clause and shall not be taken into account in determining the rotation of retirement or the number of directors to retire, subject to Section 152 and other applicable provisions, if any, of the Act.
- (ii) Subject to Section 152 of the Act, the directors, liable to retire by rotation, at every annual general meeting, shall be those, who have been longest in Office since their last appointment, but as between the persons, who became Directors on the same day, and those who are liable to retire by rotation, shall, in default of and subject to any agreement among themselves, be determined by lot.

**Article 140:** A retiring director shall be eligible for re-election and shall act as a director throughout the meeting at which he retires.

**Article 141:** Subject to Section 152 of the Act, the Company, at the general meeting at which a director retires in manner aforesaid, may fill up the vacated Office by electing a person thereto.

**Article 142:**

- (i) If the place of retiring director is not so filled up and further the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a public holiday, till the next succeeding day, which is not a public holiday, at the same time and place.
- (ii) If at the adjourned meeting also, the place of the retiring director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been re-appointed at the adjourned meetings, unless:

- (a) at that meeting or at the previous meeting, resolution for the re-appointment of such director has been put to the meeting and lost;
- (b) the retiring director has, by a notice, in writing, addressed to the Company or its Board, expressed his unwillingness to be so re-appointed;
- (c) he is not qualified, or is disqualified, for appointment.
- (d) a resolution, whether special or ordinary, is required for the appointment or reappointment by virtue of any provisions of the Act; or
- (e) Section 162 of the Act is applicable to the case.

**Article 143:** Subject to the provisions of Section 149 of the Act, the Company may, by special resolution, from time to time, increase or reduce the number of directors, and may alter their qualifications and the Company may, subject to the provisions of Section 169 of the Act, remove any director before the expiration of his period of Office and appoint another qualified person in his stead. The person so appointed shall hold Office during such time as the director, in whose place he is appointed, would have held, had he not been removed.

**Article 144:**

- (i) No person, not being a retiring director, shall be eligible for appointment to the office of director at any general meeting unless he or some member, intending to propose him, has, not less than 14 (Fourteen) days or such other period, as may be prescribed, from time to time, under the Act, before the meeting, left at the Office of the Company, a notice, in writing, under his hand, signifying his candidature for the Office of director or an intention of such member to propose him as a candidate for that office, along with a deposit of Rupees One lakh or such other amount as may be prescribed, from time to time, under the Act, which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a director or gets more than twenty-five per cent of total valid votes cast either on show of hands or on poll on such resolution.
- (ii) Every person, other than a director retiring by rotation or otherwise or a person who has left at the Office of the Company a notice under Section 160 of the Act signifying his candidature for the Office of a director, proposed as a candidate for the Office of a director shall sign and file with the Company, the consent, in writing, to act as a director, if appointed.
- (iii) A person, other than a director re-appointed after retirement by rotation immediately on the expiry of his term of Office, or an Additional or Alternate Director, or a person filling a casual vacancy in the Office of a director under Section 161 of the Act, appointed as a director or reappointed as a director immediately on the expiry of his term of Office, shall not act as a director of the Company, unless he has, within thirty days of his appointment, signed and filed with the Registrar his consent, in writing, to act as such director.

**Article 145:** The Company shall keep at its Office a Register containing the particulars of its directors and key managerial personnel and their shareholding as mentioned in Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.

**Article 146:** Every director and Key Managerial Personnel within a period of thirty days of his appointment, or relinquishment of his office, as the case may be, disclose to the company the particulars specified in sub-section (1) of section 184 relating to his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association which are required to be included in the register under that section 189 of the Companies Act, 2013.

**MANAGING DIRECTOR**

**Article 147:**

- (i) Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint, from time to time, any of its member as a Managing Director or Managing Directors of the Company for a fixed term, not exceeding 5 (Five) years at a time, and upon such remuneration and terms and conditions as the Board thinks fit, and subject to the provisions of any contract between him and the Company, remove or dismiss

him from office and appoint another in his place and subject to the provisions of the succeeding Article hereof, the Board may, by resolution, vest in such Managing Director or Managing Directors such of the powers hereby vested in the Board generally, as it thinks fit, and such powers may be made exercisable for such period or periods; and upon such conditions and subject to such restrictions, as it may determine. The remuneration of a Managing Director may be by way of salary and/or allowances, commission or participation in profits or perquisites of any kind, nature or description, or by any or all of these modes, or by any other mode(s) not expressly prohibited by the Act or the Rules made thereunder, or any notification or circular issued under the Act.

**Article 148:** Subject to the superintendence, directions and control of the Board, the Managing Director or Managing Directors shall exercise the powers, except to the extent mentioned in the matters, in respect of which resolutions are required to be passed only at the meeting of the Board, under Section 179 of the Act and the rules made thereunder

## **PROCEEDINGS OF THE BOARD OF DIRECTORS**

**Article 149:** Unless decided by the Board to the contrary, depending upon the circumstances of the case, a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, in accordance with the Article 124 hereof. If he ceases to hold the office of director, he shall ipso-facto and forthwith cease to hold the office of Managing Director.

**Article 150:** The Directors may meet together as a Board for the despatch of business, from time to time, and shall so meet at least once in every 3 (Three) months and at least 4 (Four) such meetings shall be held in every year in such a manner that not more than one hundred and twenty days (120) days shall intervene between two consecutive meetings of the Board. The Directors may adjourn and otherwise regulate their meetings as they think fit, subject to the provisions of the Act. The Board of directors may participate in a meeting of the Board either in person or through video conferencing or other audio-visual means, as may be prescribed, which are capable of recording and recognizing the participation of the directors and of recording and storing the proceedings of such meetings along with date and time subject to the rules as may be prescribed.

**Article 151:** Not less than seven (7) days' Notice of every meeting of the Board may be given, in writing, in writing to every director at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means. Subject to the provisions of section 173(3) meeting may be called at shorter notice.

**Article 152:** Subject to Section 174 of the Act, the quorum for a meeting of the Board shall be one-third of its total strength, excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one, or two directors, whichever is higher, provided that where, at any time, the number of interested directors exceeds or is equal to two-thirds of the total strength the number of the remaining directors, that is to say, the number of directors who are not interested, present at the meeting, being not less than two, shall be the quorum, during such time.

**Article 153:** If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned for 30 minutes in the same day and at same place.

**Article 154:** A director may, at any time, or Secretary shall, as and when directed by the any of the Directors to do so, convene a meeting of the Board, by giving a notice, in writing, to every other director.

**Article 155:** The Board may, from time to time, elect one of their members to be the Chairman of the Board and determine the period for which he is to hold the office. If at any meeting of the Board, the Chairman is not present at a time appointed for holding the same, the directors present shall choose one of them, being present, to be the Chairman of such meeting.

**Article 156:** Subject to the restrictive provisions of any agreement or understanding as entered into by the Company with any other person(s) such as the collaborators, financial institutions, etc., the questions arising at any meeting of the Board shall be decided by a majority of the votes of the directors present there at and, also subject to the foregoing, in the case of an equality of votes, the Chairman shall have a second or casting vote.



**Article 157:** A meeting of the Board, at which a quorum is present, shall be competent to exercise all or any of the authorities, powers and discretions, which, by or under the Act or the Articles of the Company, are, for the time being, vested in or exercisable by the Board generally.

**Article 158:** Applicable provisions of the Act, the Rules, Law including the provisions of the SEBI Listing Regulations. Subject to the restrictions contained in Section 179 of the Act 2013 and the rules made thereunder, the Board may delegate any of their powers to the committee of the Board, consisting of such number of its body, as it thinks fit, and it may, from time to time, revoke and discharge any such committee of the Board, either wholly or in part and either as to persons or purposes, but every committee of the Board, so formed, shall, in the exercise of the powers so delegated, conform to any regulations that may, from time to time, be imposed on it by the Board. All acts done by any such committee of the Board, in conformity with such regulations, and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if were done by the Board.

**Article 159:** The meetings and proceedings of any meeting of such Committee of the Board, consisting of two or more members, shall be governed by the provisions contained herein for regulating the meetings and proceedings of the meetings of the directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

**Article 160:** No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the directors or to all the members of the Committee, then in India, not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be, and to all the directors or to all the members of the Committee, at their usual addresses in India and has been approved, in writing, by such of the directors or members of the Committee as are then in India, or by a majority of such of them, as are entitled to vote on the resolution.

**Article 161:** All acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a director shall notwithstanding that it shall, afterwards, be discovered that there was some defect in the appointment of such director or persons acting as aforesaid or that they or any of them were or was, as the case may be, disqualified or had vacated office or that the appointment of any of them was disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had duly been appointed and was qualified to be a director and had not vacated his office or his appointed had not been terminated, provided that nothing in this Article shall be deemed to give validity to any act or acts done by a director or directors after his or their appointment(s) has or have been shown to the Company to be invalid or to have terminated.

**Article 162:**

- (i) The Company shall cause minutes of all proceedings of every meeting of the Board and the Committee thereof to be kept by making, within 30 (Thirty) days of the conclusion of each such meeting, entries thereof in books kept, whether manually in the registers or by way of loose leaves bound together, as may be decided by the Board of Directors, for that purpose with their pages consecutively numbered.
- (ii) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
- (iii) In no case, the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (iv) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (v) All appointment made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- (vi) The minutes shall also contain:
  - (a) the names of the Directors present at the meeting; and
  - (b) in the case of each resolution passed at the meeting, the names of the directors, if any dissenting from or not concurring in the resolution.

- (vii) Nothing contained in sub-clauses (i) to (vii) shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting –
  - (a) is, or could reasonably be regarded as, defamatory of any person;
  - (b) is irrelevant or immaterial to the proceedings; or
  - (c) is detrimental to the interests of the Company;

and that the Chairman shall exercise an absolute discretion with regard to the inclusion or non-inclusion of any matter in the minutes on the ground specified in this sub-clause.

- (viii) Minutes of the meetings kept in accordance with the aforesaid provisions shall be an evidence of the proceedings recorded therein.

**Article 163:** Without prejudice to the general powers as well as those under the Act, and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles or otherwise, it is hereby declared that the Directors shall have, inter alia, the following powers, that is to say, power –

- (i) to pay the costs, charges and expenses, preliminary and incidental to the promotion, formation, establishment and registration of the Company;
- (ii) to pay and charge, to the account of the Company, any commission or interest lawfully payable thereon under the provision of the Act;
- (iii) subject to the provisions of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges, which the Company is authorized to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and being in the interests of the Company, and in any such purchase or other acquisition to accept such title or to obtain such right as the directors may believe or may be advised to be reasonably satisfactory;
- (iv) at their discretion and subject to the provisions of the Act, to pay for any property, right or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in Shares, Bonds, Debentures, mortgages, or other securities of the Company, and any such Shares may be issued either as fully paid up, with such amount credited as paid up thereon, as may be agreed upon, and any such bonds, Debentures, mortgages or other securities may either be specifically charged upon all or any part of the properties of the Company and its uncalled capital or not so charged;
- (v) to secure the fulfilment of any contracts or engagement entered into by the Company or, in the interests or for the purposes of this Company, by, with or against any other Company, firm or person, by mortgage or charge of all or any of the properties of the Company and its uncalled capital, for the time being, or in such manner and to such extent as they may think fit;
- (vi) to accept from any member, as far as may be permissible by law, a surrender of his Shares or any part thereof, whether under buy-back or otherwise, on such terms and conditions as shall be agreed mutually, and as may be permitted, from time to time, under the Act or any other Law or the Regulations, for the time being, in force,
- (vii) to appoint any person to accept and hold in trust, for the Company, any property belonging to the Company, in which it is interested, or for any other purposes, and execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;
- (viii) to institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts, due and of any differences to arbitration and observe and perform any awards made thereon;
- (ix) to act on behalf of the Company in all matters relating to bankruptcy and insolvents;

- (x) to make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company;
- (xi) subject to the applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security, not being Shares of this Company, or without security and in such manner, as they may think fit, and from time to time, to vary or realize such investments, save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name;
- (xii) to execute, in the name and on behalf of the Company, in favour of any director or other person, who may incur or be about to incur any personal liability whether as principal or surety, for the benefit or purposes of the Company, such mortgages of the Company's property, present and future, as they may think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon;
- (xiii) to determine from time to time, who shall be entitled to sign, on behalf of the Company, bills, invoices, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and or any other document or documents and to give the necessary authority for such purpose, and further to operate the banking or any other kinds of accounts, maintained in the name of and for the business of the Company;
- (xiv) to distribute, by way of bonus, incentive or otherwise, amongst the employees of the Company, a Share or Shares in the profits of the Company, and to give to any staff, officer or others employed by the Company a commission on the profits of any particular business or transaction, and to charge any such bonus, incentive or commission paid by the Company as a part of the operational expenditure of the Company;
- (xv) to provide for the welfare of directors or ex-directors, Shareholders, for the time being, or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses or dwellings, or grants of moneys, whether as a gift or otherwise, pension, gratuities, allowances, bonus, loyalty bonuses or other payments, also whether by way of monetary payments or otherwise, or by creating and from time to time, subscribing or contributing to provident and other association, institutions, funds or trusts and by providing or subscribing or contributing towards places of worship, instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance, as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects, which shall have any moral or other claim to support or aid by the Company, either by reason of locality or place of operations, or of public and general utility or otherwise;
- (xvi) before recommending any dividend, to set aside out of the profits of the Company such sums, as the Board may think proper, for depreciation or to a Depreciation Fund, or to an Insurance Fund, a Reserve Fund, Capital Redemption Fund, Dividend Equalization Fund, Sinking Fund or any Special Fund to meet contingencies or to repay debentures or debenture-stock, or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes, including the purposes referred to in the preceding clause, as the Board may, in their absolute discretion, think conducive to the interests of the Company and, subject to the provisions of the Act, to invest the several sums so set aside or so much thereof, as required to be invested, upon such investments, other than shares of the Company, as they may think fit, and from time to time, to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes, as the Board, in their absolute discretion, think conducive to the interests of the Company, notwithstanding, that the matter, to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended, and to divide the Reserve Fund into such special funds, as the Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or divisions of a Reserve Fund and with full powers to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in the purchase of or repayment of debentures or debenture stock and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board

at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, subject to the provisions of the applicable laws, for the time being, in force.

- (xvii) to appoint and at their discretion, remove or suspend such general managers, secretaries, assistants, supervisors, clerks, agents and servants or other employees, in or for permanent, temporary or special services, as they may, from time to time, think fit, and to determine their powers and duties and to fix their salaries, emoluments or remuneration of such amount, as they may think fit.
- (xviii) to comply with the requirements of any local laws, Rules or Regulations, which, in their opinion, it shall, in the interests of the Company, be necessary or expedient to comply with.
- (xix) at any time, and from time to time, by power of attorney, under the Seal of the Company, to appoint any person or persons to be the attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions, not exceeding those vested in or exercisable by the Board under these presents and excluding the powers to make calls and excluding also except in their limits authorized by the Board the power to make loans and borrow moneys, and for such period and subject to such conditions as the Board may, from time to time, think fit, and any such appointment may, if the Board thinks fit, be made in favour of the members or in favour of any Company, or the Share-holders, directors, nominees, or managers of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such Power of Attorney may contain such powers for the protection of convenience of person dealing with such Attorneys, as the Board may think fit, and may contain powers enabling any such delegates all or any of the powers, authorities and discretions, for the time being, vested in them;
- (xx) Subject to the provisions of the Act, for or in relation to any of the matters, aforesaid or otherwise, for the purposes of the Company, to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company, as they may consider expedient;
- (xxi) from time to time, make, vary and repeal bylaws for the regulation of the business of the Company, its Officers and Servants.

## **MANAGEMENT**

**Article 164:** The Company shall not appoint or employ, at the same time, more than one of the following categories of managerial personnel, namely

- (i) Managing Director, and
- (ii) Manager

## **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

**Article 165:** Subject to the provisions of the Act,

- (i) A chief executive officer, manager, company secretary, 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, chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary, chief financial officer.

**Article 166:** A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary, 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, chief financial officer.

## **COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS**

**Article 167:** Copies of the Memorandum and Articles of Association of the Company and other documents, referred to in Section 17 of the Act, shall be sent by the Company to every member, at his request, within 7 (Seven) days of the request, on payment, if required by the Board, of the sum of Re.1/- (Rupee One Only) or such other higher sum, as may be prescribed, from time to time, under the Act and further decided, from time to time, by the Board, for each such copy.

## **SEAL**

### **Article 168:**

- (i) The Board shall provide a Common Seal for the purposes of the Company, and shall have power, from time to time, to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal, for the time being, and that the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. The Common Seal of the Company shall be kept at its office or at such other place, in India, as the Board thinks fit.

The seal, if any, shall not be affixed to any instrument except by the authority of a resolution of the Board or a committee of the Board authorized by it in that behalf, and except in the presence of such persons as the Board may authorize for the purpose and as may be required under applicable law.

## **DIVIDEND**

**Article 169:** The profits of the Company, subject to any special rights relating thereto created or authorized to be created by these Articles, and further subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid up or credited as paid up to the Shares held by them, respectively.

**Article 170:** The Company, in general meeting, may declare that dividends be paid to the members according to their respective rights, but no dividends shall exceed the amount recommended by the Board, but the Company may, in general meeting, declare a smaller dividend than was recommended by the Board.

**Article 171:** Subject to the applicable provisions of the Act, no dividend shall be declared or paid otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both provided that:-

- (i) if the Company has not provided for any previous financial year or years, it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other previous financial year or years;
- (ii) if the Company has incurred any loss in any previous financial year or years the amount of loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid as against the profits of the Company for any financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of schedule II of the Act.

**Article 172:** The Board may, from time to time, pay to the members such interim dividend, as in their judgement, the position of the Company justifies.

**Article 173:** Where capital is paid in advance of calls, such capital may carry interest as may be decided, from time to time, by the Board, but shall not, in respect thereof, confer a right to dividend or to participate in profits.

**Article 174:** All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during which any portion or portions of the period in respect of which the dividend is paid up; but if any Share is issued on the terms providing that it shall rank for dividend as from a particular date or on such preferred rights, such Share shall rank for dividend accordingly.

**Article 175:** The Board may retain the dividends payable upon Shares in respect of which any person is, under the Article 61 hereinabove, entitled to become a member, or which any person under that article is entitled to transfer until such person shall become a member in respect of such Shares, or shall duly transfer the same and

until such transfer of Shares has been registered by the Company, notwithstanding anything contained in any other provision of the Act or these Articles, the provisions of Section 206A of the Act or the corresponding section of Act, 2013 as and when notified shall apply.

**Article 176:** Any one of several persons, who are registered as joint holders of any Share, may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such Shares.

**Article 177:** No member shall be entitled to receive payment of any interest or dividend in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares or otherwise howsoever, either alone or jointly with any other person or persons, and the Board may deduct, from the interest or dividend payable to any member, all sums of money so due from him to the Company.

**Article 178:** Subject to the applicable provisions, if any, of the Act, a transfer of Shares shall not pass the right to any dividend declared thereon and made effective from the date prior to the registration of the transfer.

**Article 179:** Unless otherwise directed, any dividend may be paid up by cheque or warrant or by a pay-slip sent through the post to the registered address of the member or person entitled, or, in the case of joint holders, to that one of them first named in the Register in respect of the joint holdings. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or pay-slip lost in transmission or for any dividend lost to the member or person entitled thereto due to or by the forged endorsement of any cheque or warrant or the fraudulent recovery of the dividend by any other means.

**Article 180:**

- (i) If the Company has declared a dividend but which has not been paid or claimed within 30 (Thirty) days from the date of declaration the Company shall transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 (Thirty) days a special account to be opened by the Company in that behalf in any scheduled Bank called “the Unpaid Dividend Account of SAFFRON SPECIALITY PAPERS LIMITED”. The Company shall within a period of ninety days of making any transfer of an amount to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the Company and also on any other website approved by the Central Government, for this purpose. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.
- (ii) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (Seven) years, from the date of such transfer shall be transferred by the Company to the Fund known as the Investor Education and Protection Fund established under sub section (1) of Section 125 of the Act.

**Article 181:** Subject to the provisions of the Act, no unpaid dividend shall bear interest as against the Company.

**Article 182:** Any general meeting declaring a dividend may, on the recommendation of the Directors, make a call on the members of such amount as the meeting decides, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the members, be set off against the calls.

## CAPITALISATION

**Article 183:**

- (i) The Company, in general meeting, may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Account or in the hands of the Company and available for dividend, or representing premium received on the issue of Shares and standing to the credit of the Share Premium Account, be capitalized and distributed amongst such of the Shareholders as would be entitled to receive the same, if distributed by way of dividend, and in the same proportion on the footing that they become entitled thereto as capital, and that all or any part of such capitalized fund be applied, on behalf of such Shareholders, in paying up in full either at par or at such premium, as the resolution may provide, any

unissued Shares or Debentures or Debenture stock of the Company which shall be distributed accordingly on in or towards payment of the uncalled liability on any issued Shares or Debentures, stock and that such distribution or payment shall be accepted by such Shareholders in full satisfaction of their interest in the said capitalized sum, provided that a Share Premium Account and a Capital Redemption Reserve Account may, for the purposes of this Article, only be applied for the paying of any unissued Shares to be issued to members of the Company as, fully paid up, bonus Shares.

- (ii) A general meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company, not subject to charge for income tax, be distributed among the members on the footing that they receive the same as capital.
- (iii) For the purpose of giving effect to any resolution under the preceding paragraphs of this Article, the Board may settle any difficulty, which may arise, in regard to the distribution, as it thinks expedient, and, in particular, may issue fractional certificates and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any members upon the footing of the value so fixed or that fraction of value less than Rs.10/- (Rupees Ten Only) may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the person entitled to the dividend or capitalized funds, as may seem expedient to the Board. Where requisite, a proper contract shall be delivered to the Registrar for registration in accordance with Section 75 of the Act and the Board may appoint any person to sign such contract, on behalf of the persons entitled to the dividend or capitalized fund, and such appointment shall be effective.

## **BORROWING POWERS**

**Article 184:** Subject to the provisions of the Act, the Board may from time to time, at their discretion raise or borrow or secure the payment of any sum or sums of money for and on behalf of the Company. Any such money may be raised or the payment or repayment thereof may be secured in such manner and upon such terms and conditions in all respect as the Board may think fit by promissory notes or by opening loan or current accounts or by receiving deposits and advances at interest with or without security or otherwise and in particular by the issue of bonds, perpetual or redeemable debentures of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any lands, buildings, machinery, plant, goods or other property and securities of the Company or by other means as the Board deems expedient.

**Article 185:** The Board of Directors shall not except with the consent of the Company by way of a special resolution, borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceeds the aggregate of paid up capital of the Company and its free reserves.

**Article 186:** Subject to the Act and the provisions of these Articles, any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Board, who may issue them upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company.

## **ACCOUNTS**

**Article 187:** The Company shall keep at the Office or at such other place in India, as the Board thinks fit and proper, books of account, in accordance with the provisions of the Act with respect to:

- (i) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;
- (ii) all sales and purchases of goods by the Company;
- (iii) the assets and liabilities of the Company;
- (iv) such particulars, if applicable to this Company, relating to utilization of material and/or labour or to other items of cost, as may be prescribed by the Central Government.

Where the Board decides to keep all or any of the books of account at any place, other than the Office of the Company, the Company shall, within 7 (Seven) days, or such other period, as may be fixed, from time to time, by the Act, of the decision, file with the Registrar, a notice, in writing, giving the full address of that other place.

The Company shall preserve, in good order, the books of account, relating to the period of not less than 8 (Eight) years or such other period, as may be prescribed, from time to time, under the Act, preceding the current year, together with the vouchers relevant to any entry in such books.

Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article, if proper books of account, relating to the transaction effected at the branch office, are kept at the branch office, and the proper summarized returns, made up to day at intervals of not more than 3 (Three) months or such other period, as may be prescribed, from time to time, by the Act, are sent by the branch office to the Company at its Office or other place in India, at which the books of account of the Company are kept as aforesaid.

The books of account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain the transactions represented by it. The books of account and other books and papers shall be open to inspection by any director, during business hours, on a working day, after a prior notice, in writing, is given to the Accounts or Finance department of the Company.

**Article 188:** 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 the directors, and no member, not being a director, shall have any right of inspecting any account or books or document of the Company, except as conferred by law or authorized by the Board.

**Article 189:** The Directors shall, from time to time, in accordance with sections 129 and 134 of the Act, cause to be prepared and to be laid before the Company in Annual General Meeting of the Shareholders of the Company, such Balance Sheets, Profit and Loss Accounts, if any, and the Reports as are required by those Sections of the Act.

**Article 190:** A copy of every such Profit & Loss Accounts and Balance Sheets, including the Directors' Report, the Auditors' Report and every other document(s) required by law to be annexed or attached to the Balance Sheet, shall at least 21 (Twenty-one) days, before the meeting, at which the same are to be laid before the members, be sent to the members of the Company, to every trustee for the holders of any Debentures issued by the Company, whether such member or trustee is or is not entitled to have notices of general meetings of the Company sent to him, and to all persons other than such member or trustees being persons so entitled.

**Article 191:** The Auditors, whether statutory, branch or internal, shall be appointed and their rights and duties shall be regulated in accordance with the provisions of the Act and the Rules made thereunder.

## **DOCUMENTS AND NOTICES**

### **Article 192:**

- (i) A document or notice may be served or given by the Company on any member either personally or by sending it, by post or by such other means such as fax, e-mail, if permitted under the Act, to him at his registered address or, if he has no registered address in India, to the address, if any, in India, supplied by him to the Company for serving documents or notices on him.
- (ii) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, pre-paying, wherever required, and posting a letter containing the document or notice, provided that where a member has intimated to the Company, in advance, that documents or notices should be sent to him under a certificate of posting or by registered post, with or without the acknowledgement due, and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner and, such service shall be deemed to have been effected, in the case of a notice of a meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted, and in any other case, at the time at which the letter would be delivered in the ordinary course of post.



**Article 193:** A document or notice, whether in brief or otherwise, advertised, if thought fit by the Board, in a newspaper circulating in the neighbourhood of the Office shall be deemed to be duly served or sent on the day, on which the advertisement appears, on or to every member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notices to him.

**Article 194:** A document or notice may be served or given by the Company on or to the joint holders of a Share by serving or giving the document or notice on or to the joint holder named first in the Register of Members in respect of the Share.

**Article 195:** A document or notice may be served or given by the Company on or to the person entitled to a Share, including the person nominated in the manner prescribed hereinabove, in consequence of the death or insolvency of a member by sending it through the post as a prepaid letter addressed to them by name or by the title or representatives of the deceased, or assigned of the insolvent or by any like description, at the address, if any, in India, supplied for the purpose by the persons claiming to be entitled, or, until such an address has been so supplied, by serving the document or notice, in any manner in which the same might have been given, if the death or insolvency had not occurred.

**Article 196:** Documents or notices of every general meeting shall be served or given in some manner hereinafter authorized on or to (i) every member, (ii) every person entitled to a Share in consequence of the death or insolvency of member, (iii) the Auditor or Auditors of the Company, and (iv) the directors of the Company.

**Article 197:** Every person who, by operation of law, transfer or by other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which, previously to his name and address being entered on the Register of Members, shall have duly served on or given to the person from whom he derives his title to such Shares.

**Article 198:** Any document or notice to be served or given by the Company may be signed by a director or some person duly authorized by the Board for such purpose and the signature thereto may be written, printed or lithographed.

**Article 199:** All documents or notices to be served or given by members on or to the Company or any Officer thereof shall be served or given by sending it to the Company or Officer at the Office by post, under a certificate of posting or by registered post, or by leaving it at the Office, or by such other means such as fax, e-mail, if permitted under the Act.

## **WINDING UP**

**Article 200:** The Company may be wound up in accordance with the Act and the Insolvency and Bankruptcy Code, 2016 (to the extent applicable).

## **INDEMNITY AND RESPONSIBILITY**

**Article 201:** Subject to the provisions of the Act, every Director, Secretary and the other officers for the time being of the Company acting in relation to any of the affairs of the Company shall be indemnified out of the assets of the Company from and against all suits, proceedings, cost, charges, losses, damage and expenses which they or any of them shall or may incur or sustain by reason of any act done or committed in or about the execution of their duty in their respective office except such suits, proceedings, cost, charges, losses, damage and expenses, if any that they shall incur or sustain, by or through their own wilful neglect or default respectively.

**Article 202:** The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly or reasonably.

## **SECRECY**

### **Article 203:**

- (i) Every director, manager, auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting

all transactions and affairs of the Company with the customers and the state of the accounts with the individuals and in matters relating thereto, and shall, by such declaration, pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by Law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions contained in these Articles or the Memorandum of Association of the Company and the provisions of the Act.

- (ii) Subject to the provisions of the Act, no member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors, or to require inspection of any books of accounts or documents of the Company or discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and, which in the opinion of the Directors, it would be inexpedient in the interests of the Company to disclose.

## **GENERAL POWER**

### **Article 204:**

Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the SEBI Listing Regulations, the provisions of the SEBI Listing Regulations shall prevail over the Articles to such extent and the Company shall discharge all its obligations as prescribed under the SEBI Listing Regulations, from time to time.

## SECTION XI – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and 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) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be filed with the RoC. Copies of the contracts and documents for inspection referred to hereunder, may be inspected at our Registered Office between 10 a.m. to 5 p.m. on all Working Days from date of the Red Herring Prospectus until the Bid/ Issue Closing Date. The copies of the contracts and documents for inspection referred to hereunder will be uploaded on the website of our Company at, and will be available for inspection from date of the Red Herring Prospectus until the Bid/ Issue Closing Date (except for such agreements executed after the Bid/ Issue Closing Date).

#### Material Contracts

1. Issue Agreement dated February 12, 2025 between our Company and the Book Running Lead Manager.
2. Registrar Agreement dated February 10, 2025 between our Company and the Registrar to the Issue.
3. Banker to the Issue agreement dated [•] between our Company, Book Running Lead Manager, Registrar to the Issue and Public Issue Bank/refund Bank/Sponsor bank.
4. Market Making Agreement dated [•] between our Company and the Book Running Lead Manager and Market Maker.
5. Underwriting Agreement dated [•] between our Company and Book Running Lead Manager and the Underwriter.
6. Syndicate Agreement dated [•] amongst our Company, the Book Running Lead Manager, and Syndicate Members.
7. Tripartite agreement between the CDSL, our Company and the Registrar to the Issue dated May 10, 2024.
8. Tripartite agreement between the NSDL, our Company and the Registrar to the Issue dated March 6, 2024.

#### Material Documents

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Copy of Certificate of Incorporation dated April 15, 2008, issued under the name Albatross Speciality Papers Private Limited, issued by the Assistant Registrar of Companies, Maharashtra, Mumbai.
3. Copy of Fresh Certificate of Incorporation dated January 18, 2011, issued under the name Saffron Speciality Papers Private Limited, issued by Deputy Registrar of Companies, Maharashtra, Mumbai pursuant to change of name.
4. Copy of Fresh Certificate of Incorporation dated September 17, 2024, issued by Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies, Central Processing Centre, consequent to name change from Saffron Speciality Papers Private Limited to Saffron Speciality Papers Limited pursuant to the conversion of our Company into a Public Limited Company.
5. Resolution of the Board of Directors dated December 14, 2024 in relation to the Issue.
6. Resolution of the Shareholders of our Company, passed at the Extra-Ordinary General Meeting held on December 18, 2024 in relation to the Issue.
7. Examination report for Restated Financial Statements dated January 16, 2025 from our Peer Review Auditor included in this Draft Red Herring Prospectus.
8. The Statement of Possible Tax Benefits dated February 6, 2025 from our Peer Review Auditor included in this Draft Red Herring Prospectus.
9. Copies of Audited Financial Statements of the Company for the period ended August 31, 2024 and the year ended financial year ended March 31, 2024, 2023, and 2022.
10. Consents of our Directors, Promoters, Company Secretary and Compliance Officer, Chief Financial Officer, Senior Management Personnel, Statutory Auditor, Peer Review Auditor, Chartered Engineer, Architect and Consulting Engineer, Banker(s) to the Company, Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Banker to the Issue, Syndicate Member, Underwriter and Market Maker to act in their respective capacities.
11. Written consent dated February 6, 2025 from M/s. SKVM and Company, Chartered Accountants, to include their name as required under section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring 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 Statutory Auditor, and in respect of their (i) examination

- report, dated January 16, 2025 on our Restated Financial Information; and (ii) their report dated February 6, 2025 on the Statement of Special Tax Benefits in this Draft Red Herring Prospectus.
12. Consent letter from Infomerics Analytics & Research Private Limited dated December 20, 2024, to rely on and reproduce part or whole of their industry reports and include their name in this Draft Red Herring Prospectus.
  13. Report titled “Printing & Packaging Industry Report” dated December 20, 2024 issued by Infomerics Analytics & Research Private Limited and is available at <https://saffronindia.net/pdf/Printing-Packaging-Industry-Report.pdf>.
  14. Due diligence certificate dated February 14, 2025 to Stock Exchange from the BRLM.
  15. In-principal approvals dated [•] from NSE.
  16. Certificate on KPI’s issued by the Peer Reviewed Auditor M/s. SKVM and Company, Chartered Accountants, by way of their certificate dated February 13, 2025.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, amended, or the rules made thereunder or Guidelines / Regulations issued, as the case may be. We further certify that all statements and disclosures made in this Draft Red Herring Prospectus are true and correct.

### Signed by the Directors of our Company:

<b>Sweta Agarwal</b> <i>Chairman &amp; Managing Director</i> <i>DIN: 05102406</i>	<b>Amisha Agarwal</b> <i>Whole-time Director</i> <i>DIN: 03356275</i>
<b>Harshiel Agarwal</b> <i>Non-Executive Director</i> <i>DIN: 10506264</i>	<b>Narayanan Ananthakrishnan Iyer</b> <i>Independent Director</i> <i>DIN: 03470438</i>
<b>Mahavir Prasad Hingar</b> <i>Independent Director</i> <i>DIN: 03384356</i>	<b>Jaykishan Rathi</b> <i>Independent Director</i> <i>DIN: 10868613</i>

### Signed by the Chief Financial Officer and Company Secretary & Compliance Officer of our Company:

<b>Vipul Desai</b> <i>Chief Financial Officer</i>	<b>Agrima Shah</b> <i>Company Secretary &amp; Compliance Officer</i>
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**Date:** February 14, 2025

**Place:** Thane