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**Draft Prospectus**
**Dated: August 09, 2021**
(This Draft Prospectus will be updated upon filing with the RoC)
Please read section 26 and 32 of the Companies Act, 2013
**Fixed Price Issue**

# D.K. ENTERPRISES GLOBAL LIMITED

Our Company was incorporated as "D.K.Enterprises Global Hub Limited " at Panchkula, Haryana on February 26, 2019 under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by the Deputy Registrar Of Companies For and on behalf of the Jurisdictional Registrar of Companies Central Registration Centre. Later on, the name of our company was changed from "D.K.Enterprises Global Hub Limited" to "D.K. Enterprises Global Limited" and certificate to that effect was Registrar of Companies, RoC- Delhi on April 04, 2019. For details of change in name and of our Company, please refer to section titled "History and Certain Corporate Matters" beginning on page no. 110 of this Draft Prospectus

**CIN:** U36999HR2019PLC078806
**Registered office:** Plot No-235 Industrial Area Phase-2 Panchkula Haryana 134109 India.
**Website:** www.dkenterprises.co.in; **E-Mail:** cs@dkenterprises.co.in; **Telephone No:** +91 172 259 1548
**Company Secretary and Compliance Officer:** Ms. Amanpreet Kaur

**PROMOTERS OF THE COMPANY: MR. RAKESH KUMAR, MRS. REKHA BANSAL AND MR. DHRUV RAKESH**

## THE ISSUE

**PUBLIC ISSUE OF 1998000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH OF D.K. ENTERPRISES GLOBAL LIMITED ("DK" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 40 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 30 PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ 799.20 LAKH ("THE ISSUE"), OF WHICH 102000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH FOR CASH AT A PRICE OF ₹ 40 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 30 PER EQUITY SHARE AGGREGATING TO ₹ 40.80 LAKH 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 1896000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT A PRICE OF ₹ 40 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 30 PER EQUITY SHARE AGGREGATING TO ₹ 758.40 LAKH IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.61% AND 25.25% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THIS ISSUE IS BEING IN TERMS OF CHAPTER IX OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIERMENTS) REGULATIONS, 2018 AS AMENDED FROM TIME TO TIME.**
For further details see "TERMS OF THE ISSUE" beginning on Page no. 221 of this Draft Prospectus.

The issue is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR"), read with Regulation 252 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, dated November 10, 2015 all potential investors are mandatorily required to participate in the issue through the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective bank account (including UPI ID for RIIs using UPI Mechanism) (UPI ID, RIBs and UPI Mechanism are defined hereinafter) wherein the Bid Amounts was blocked by the SCSBs or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. For details, see "ISSUE PROCEDURE" on Page No. 231 of this Draft Prospectus.

**THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE IS ₹ 40. THE ISSUE PRICE IS 4 TIMES OF THE FACE VALUE.**

## RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the shares is ₹ 10 per Equity Shares and the Issue price is 4 times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager) as stated in the chapter titled on "BASIS FOR ISSUE PRICE" beginning on Page no. 70 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our Company nor regarding the price at which the Equity Shares will be traded after listing.

## GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. 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 offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the section titled "RISK FACTORS" beginning on Page no. 18 of this Draft Prospectus.

## ISSUER'S ABSOLUTE RESPONSIBILITY

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

## LISTING

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

| LEAD MANAGER | REGISTRAR TO THE ISSUE |
|---|---|
| **BEELINE BROKING LIMITED**<br>**SEBI Registration Number:** INM000012546<br>**Address:** 807, Phoenix Tower, Opp. New Girish Cold Drinks, Near Vijay Cross Roads, Navrangpura, Ahmedabad – 380 009<br>**Telephone Number:** +91 79 4840 5357<br>**Email Id:** mb@beelinemb.com<br>**Investors Grievance Id:** ig@beelinebroking.com<br>**Website:** www.beelinebroking.com<br>**Contact Person:** Mrs. Khushbu Shah<br>**CIN:** U51900GJ2014PLC080598 | **SKYLINE FINANCIAL SERVICES PRIVATE LIMITED**<br>**SEBI Registration Number:** INR000003241<br>**Address:** D-153A, 1st Floor, Okhla Industrial Area Phase-I, New Delhi – 110020, India.<br>**Tel. Number:** +91 -11-40450193-97<br>Fax- +91-11-26812682<br>**Email Id:** compliances@skylinerta.com/virenr@skylinerta.com<br>**Investors Grievance Id:** grievances@skylinerta.com<br>**Website:** www.skylinerta.com<br>**Contact Person:** Ms. Sarita Singh<br>**CIN:** U74899DL1995PTC071324 |

## ISSUE SCHEDULE

| ISSUE OPENS ON: [●] | ISSUE CLOSES ON: [●] |
|---|---|

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

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## SECTION I – DEFINITIONS AND ABBREVIATIONS

| Term | Description |
|---|---|
| "DK","our Company", "we", "us", "our", "the Company", "the Issuer Company" or "the Issuer" | D.K. Enterprises Global Limited, a public limited company, registered under the Companies Act, 2013 and having its registered office at Plot No-235 Industrial Area Phase-2 Panchkula-134109 Haryana. |
| Our Promoters | Mr. Rakesh Kumar, Mrs. Rekha Bansal And Mr. Dhruv Rakesh |
| Promoters' Group | Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled "Our Promoters and Promoter's Group". |

### COMPANY RELATED TERMS

| Term | Description |
|---|---|
| Articles / Articles of Association/AOA | Articles of Association of our Company. |
| Audit Committee | The audit committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details refer section titled "Our Management" on page No. 114 of this draft prospectus. |
| Board of Directors / Board/BOD | The Board of Directors of D.K. Enterprises Global Limited unless otherwise specified. |
| Companies Act | Companies Act, 1956 and/ or the Companies Act, 2013, as amended from time to time. |
| CMD | Chairman Cum Managing Director |
| Chief Financial Officer (CFO) | The Chief Financial officer of our Company, being Mr. Baljeet Singh |
| Company Secretary and Company Officer (CS) | The Company Secretary of our Company, being Ms. Amanpreet Kaur |
| Depositories Act | The Depositories Act, 1996, as amended from time to time |
| Equity Shares | Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof |
| ED | Executive Director |
| Group Companies | Group Companies as defined under Regulation 2(1)(t) of the SEBI (ICDR) Regulations, 2018, "Group companies shall include such companies (other than our Promoters and Subsidiary) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and as disclosed in "Information with respect to Group Companies" on page no. 208 of this Draft Prospectus. |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| Statutory Auditor | The Statutory auditors of our Company, being /s M/s Deepak Jindal & Co., Chartered Accountants, Chandigarh |
| Key Managerial Personnel / Key Managerial Employees | The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled "Our Management" on page no.114 of this Draft Prospectus. |
| MD | Managing Director |
| MOA/ Memorandum / Memorandum of Association | Memorandum of Association of our Company as amended from time to time |
| Non Residents | A person resident outside India, as defined under FEMA |
| Nomination and Remuneration Committee | The nomination and remuneration committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details refer section titled "Our Management" on page no.114 of this draft prospectus. |
| NRIs / Non Resident Indians | A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulation, 2000. |
| Peer Review Auditor | The Peer Review auditors of our Company, being M/s Deepak Jindal & Co., Chartered Accountants, Chandigarh |

| Term | Description |
|---|---|
| Registered Office | The Registered office of our Company located at Plot No-235 Industrial Area Phase-2 Panchkula Haryana 134109 India. |
| Restated Financial Statements | The restated financial information of our Company, which comprises the standalone restated statement of assets and liabilities, the standalone restated statement of profit and loss, standalone the restated statement of cash flows, for the year ended on March 31, 2021, 2020 and 2019 and consolidated restated statement of assets and liabilities, the consolidated restated statement of profit and loss, consolidated the restated statement of cash flows, for the year ended on March 31, 2021 and 2020, the summary statement of significant accounting policies read together with the annexures and notes thereto and other restated financial information, prepared in terms of the requirements of Section 26 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. |
| ROC / Registrar of Companies | Registrar of Companies, Delhi. |
| Stakeholders' Relationship Committee | The Stakeholders' Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details refer section titled "Our Management" on page no. 114 of this draft prospectus. |
| WTD | Whole-Time Director |

**ISSUE RELATED TERMS**

| Terms | Description |
|---|---|
| Applicant | Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus |
| Application Form | The Form in terms of which the applicant shall apply for the Equity Shares of our Company |
| Application Supported by Blocked Amount / ASBA | An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB. |
| ASBA Account | An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form. |
| Allotment | Issue of the Equity Shares pursuant to the Issue to the successful applicants |
| Allottee | The successful applicant to whom the Equity Shares are being / have been issued |
| Basis of Allotment | The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in the section "Issue Procedure - Basis of allotment" on page no. 269 of this Draft Prospectus. |
| Bankers to our Company | Canara Bank |
| Bankers to the Issue and Refund Banker | [●] |
| Depository | A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 |
| Designated Date | The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Prospectus, after finalisation 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 Offer. |
| Designated Intermediaries | The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue. |
| Depository Participant | A Depository Participant as defined under the Depositories Act, 1996 |
| Draft Prospectus | The Draft Prospectus dated August 09, 2021 issued in accordance with Section 32 of the Companies Act filed with the National Stock Exchange of India Limited ("NSE") under SEBI (ICDR) Regulations. |

| Terms | Description |
|---|---|
| Eligible NRI | NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Draft Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein. |
| Engagement Letter | The engagement letter dated August 20, 2020 between our Company and the LM |
| Issue Opening Date | The date on which the Issue opens for subscription. |
| Issue Closing date | The date on which the Issue closes for subscription. |
| Issue Period | The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their application |
| IPO | Initial Public Offering |
| Issue / Issue Size / Public Issue | The Public Issue of 1998000 Equity Shares of ₹ 10/- each at ₹ 40/- per Equity Share including share premium of ₹ 30/- per Equity Share aggregating to ₹ 799.20 Lakh by D.K. Enterprises Global Limited. |
| Issue Price | The price at which the Equity Shares are being issued by our Company through this Draft Prospectus, being ₹ 40/- (including share premium of ₹ 30/- per Equity Share). |
| LM / Lead Manager | Lead Manager to the Issue, in this case being Beeline Broking Limited. |
| Listing Agreement | Unless the context specifies otherwise, this means the SME Equity Listing Regulation to be signed between our company and the Emerge Platform of NSE. |
| Market Maker | The Market Maker to the Issue, in this case being Nikunj Stock Brokers Limited. |
| Net Issue | The Issue (excluding the Market Maker Reservation Portion) of 1896000 Equity Shares of ₹ 10/- each at ₹ 40/- per Equity Share including share premium of ₹ 30/- per Equity Share aggregating to ₹ 758.40 Lakh by D.K. Enterprises Global Limited. |
| NPCI | NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA). |
| Non Retail Portion including Qualified Institution Buyers (NRII) | The remaining portion of the Net Offer, after retails portion, being not more than 50% of the Net issue which shall be available for allocation to NRIIs in accordance with the SEBI ICDR Regulations. |
| Prospectus | The Prospectus, to be filed with the ROC containing, inter alia, the Issue opening and closing dates and other information. |
| Public Issue Account | An Account of the Company under Section 40 of the Companies Act, 2013 where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors |
| Qualified Institutional Buyers / QIBs | The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations. |
| Refund Account | Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made. |
| Registrar / Registrar to the Issue | Registrar to the Issue being Skyline Financial Services Private Limited. |
| Regulations | Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018. |
| Retail Individual Investors /(RII) | Individual investors (including HUFs applying through their Karta and Eligible NRI Bidders) who applies or bids for the Equity Shares of a value of not more than ₹ 2,00,000. |
| Retail Portion | The portion of the Net Offer being not less than 50% of the Net Equity Shares which shall be available for allocation to RIIs in accordance with the SEBI ICDR Regulations. |
| SCSB | A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 |

| Terms | Description |
|---|---|
| Emerge Platform of NSE | The Emerge Platform of NSE for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations, 2018 which was approved by SEBI as an SME Exchange on September 27, 2011. |
| Sponsor Bank | The Banker to the Offer registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars. |
| Underwriter | Underwriter to the issue is Beeline Broking Limited. |
| Underwriting Agreement | The Agreement entered into between the Underwriter and our Company dated March 15, 2021. |
| UPI | Unified payment Interface, which is an instant payment mechanism, developed by NPCI. |
| UPI Circular | The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and any Subsequent circulars or notifications issued by SEBI in this regard. |
| UPI ID | ID created on UPI for single-window mobile payment system developed by the NPCI. |
| UPI Mandate Request | A request (intimating the Retail Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Retail Individual Bidder to such Mobile App) to the Retail Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment. |
| UPI Mechanism | The bidding mechanism that may be used by a RII to make a Bid in the Offer in accordance with the UPI Circulars. |
| UPI PIN | Password to authenticate UPI transactions. |
| Wilful Defaulter | A company or a person categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India and includes any company whose director or promoter is categorized as such. |
| Working Days | i. Till Application / Issue closing date:<br>All days other than a Saturday, Sunday or a public holiday;<br>ii. Post Application / Issue closing date and till the Listing of Equity Shares:<br>All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018. |

**TECHNICAL AND INDUSTRY RELATED TERMS**

| Term | Description |
|---|---|
| ISO | International Organization for Standardization |
| BOPP | Biaxially oriented polypropylene |
| GSM | Grams Per Square Meter |
| MNC | Multinational Corporation |
| MT | Metric Ton |
| PET | Polyethylene Terephthalate |
| PEG | Polyethylene Glycol |
| HMA | Hot-melt Adhesives |
| SOP | Standard Operating Procedure |
| KLD | Key Line Dimension |

| Term | Description |
|---|---|
| LDPE | Low Density Polyethylene |
| UV | Ultraviolet |
| B2B | Business to Business |

**CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS**

| Term | Description |
|---|---|
| A/c | Account |
| Act or Companies Act | Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time |
| AGM | Annual General Meeting |
| AO | Assessing Officer |
| ASBA | Application Supported by Blocked Amount |
| AS | Accounting Standards issued by the Institute of Chartered Accountants of India |
| AY | Assessment Year |
| BG | Bank Guarantee |
| NSE | National Stock Exchange of India Limited |
| CAGR | Compounded Annual Growth Rate |
| CAN | Confirmation Allocation Note |
| CDSL | Central Depository Services (India) Limited |
| CIN | Corporate Identity Number |
| CIT | Commissioner of Income Tax |
| CRR | Cash Reserve Ratio |
| Depositories | NSDL and CDSL |
| Depositories Act | The Depositories Act, 1996 as amended from time to time |
| Depository | A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time |
| DIN | Director's identification number |
| DP/ Depository Participant | A Depository Participant as defined under the Depository Participant Act, 1996 |
| DP ID | Depository Participant's Identification |
| EBIDTA | Earnings Before Interest, Depreciation, Tax and Amortization |
| ECS | Electronic Clearing System |
| EoGM | Extra-ordinary General Meeting |
| EPS | Earnings Per Share i.e. profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year |
| Financial Year/ Fiscal Year/ FY | The period of twelve months ended March 31 of that particular year |
| FDI | Foreign Direct Investment |
| FDR | Fixed Deposit Receipt |
| FEMA | Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time |
| FII | Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India |
| FII Regulations | Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended |
| FIs | Financial Institutions |
| FIPB | Foreign Investment Promotion Board |
| FVCI | Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time |
| GDP | Gross Domestic Product |
| GIR Number | General Index Registry Number |
| Gov/ Government/GoI | Government of India |

| Term | Description |
|---|---|
| HUF | Hindu Undivided Family |
| IFRS | International Financial Reporting Standard |
| ICSI | Institute of Company Secretaries of India |
| ICAI | Institute of Chartered Accountants of India |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| I.T. Act | Income Tax Act, 1961, as amended from time to time |
| ITAT | Income Tax Appellate Tribunal |
| INR/ Rs./ Rupees / ₹ | Indian Rupees, the legal currency of the Republic of India |
| Ltd. | Limited |
| Pvt. Ltd. | Private Limited |
| MCA | Ministry of Corporate Affairs |
| Merchant Banker | Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended |
| MOF | Ministry of Finance, Government of India |
| MOU | Memorandum of Understanding |
| NA | Not Applicable |
| NAV | Net Asset Value |
| NEFT | National Electronic Fund Transfer |
| NOC | No Objection Certificate |
| NR/ Non Residents | Non Resident |
| NRE Account | Non Resident External Account |
| NRI | Non Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations |
| NRO Account | Non Resident Ordinary Account |
| NSDL | National Securities Depository Limited |
| NTA | Net Tangible Assets |
| p.a. | Per annum |
| P/E Ratio | Price/ Earnings Ratio |
| PAN | Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time |
| PAT | Profit After Tax |
| PBT | Profit Before Tax |
| PIO | Person of Indian Origin |
| PLR | Prime Lending Rate |
| R & D | Research and Development |
| RBI | Reserve Bank of India |
| RBI Act | Reserve Bank of India Act, 1934, as amended from time to time |
| RoNW | Return on Net Worth |
| RTGS | Real Time Gross Settlement |
| SAT | Security appellate Tribunal |
| SCRA | Securities Contracts (Regulation) Act, 1956, as amended from time to time |
| SCRR | Securities Contracts (Regulation) Rules, 1957, as amended from time to Time |
| SCSBs | Self-Certified Syndicate Banks |
| SEBI | The Securities and Exchange Board of India constituted under the SEBI Act, 1992 |
| SEBI Act | Securities and Exchange Board of India Act 1992, as amended from time to time |
| SEBI Insider Trading Regulations | SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time |
| SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time |
| SEBI Takeover Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time |

| Term | Description |
|---|---|
| SEBI Rules and Regulations | SEBI (ICDR) Regulations, 2018, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time |
| Sec. | Section |
| Securities Act | The U.S. Securities Act of 1933, as amended |
| S&P NSE SENSEX | S&P Bombay Stock Exchange Sensitive Index |
| SICA | Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time |
| SME | Small and Medium Enterprises |
| Stamp Act | The Indian Stamp Act, 1899, as amended from time to time |
| State Government | The Government of a State of India |
| Stock Exchanges | Unless the context requires otherwise, refers to, the NSE |
| STT | Securities Transaction Tax |
| TDS | Tax Deducted at Source |
| TIN | Tax payer Identification Number |
| TRS | Transaction Registration Slip |
| UIN | Unique Identification Number |
| U.S. GAAP | Generally accepted accounting principles in the United States of America |
| VCFs | Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations.<br><br>In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations. |

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Financial Data

Unless stated otherwise, the financial data in the Draft Prospectus is derived from our restated Financial Statements for which includes Restated Standalone financial information for the financial year ended on March 31, 2021; 2020; 2019 and Restated Consolidated Financial Statement for the financial year ended on March 31, 2021 and 2020 Prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP which are included in the Draft Prospectus, and set out in the section titled "RESTATED FINANCIAL INFORMATION" beginning on page no. 133 of the Draft Prospectus. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Years are to the twelve-month period ended March 31 of that year. In the Draft Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Draft Prospectus should accordingly be limited.

Any percentage amounts, as set forth in the sections / chapters titled "RISK FACTORS", "BUSINESS OVERVIEW" and "MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS" beginning on page nos. 18, 80, 196 and respectively of this Draft Prospectus and elsewhere in the Draft Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP.

### Industry and Market Data

Unless stated otherwise, industry data used throughout the Draft Prospectus has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in the Draft Prospectus is reliable, it has not been independently verified.

Further, the extent to which the industry and market data presented in the Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

### Currency and units of presentation

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

- 'Rupees' or '₹' or 'Rs.' or 'INR' are to Indian rupees, the official currency of the Republic of India.
- 'US Dollars' or 'US$' or 'USD' or '$' are to United States Dollars, the official currency of the United States of America, EURO or "€" are Euro currency,
- All references to the word 'Lakh', means 'One hundred thousand' and the word 'Million' means 'Ten Lakh' and the word 'Crore' means 'Ten Million' and the word 'Billion' means 'One thousand Million'.

## FORWARD LOOKING STATEMENTS

All statements contained in the Draft Prospectus that are not statements of historical facts constitute "forward-looking statements". All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in the Draft Prospectus regarding matters that are not historical facts. These forward looking statements and any other projections contained in the Draft Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

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. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Competition from existing and new entities may adversely affect our revenues and profitability;
- Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business may get affected to some extent.
- Our business and financial performance is particularly based on market demand and supply of our products/services;
- The performance of our business may be adversely affected by changes in, or regulatory policies of, the Indian national, state and local Governments;
- Any downgrading of India's debt rating by a domestic or international rating agency could have a negative impact on our business and investment returns;
- Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company;
- The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections/chapters "RISK FACTORS", "BUSINESS OVERVIEW" and "MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS" on page nos.18, 80 and 196 respectively of this Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward looking statements reflect the current views as of the date of this Draft Prospectus and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although our Company believes 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. None of our Company, the Directors, the LM, or 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. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

# SECTION II- SUMMARY OF DRAFT PROSPECTUS

## PRIMARY BUSINESS OF THE COMPANY

We are mainly engaged in manufacturing of Paper Based Packing Material, Self Adheshive Tapes (specialty tapes likes Masking, Siliconized, Medical and Surface protection Tapes), Laminated Products and flexible Packaging. Our Company is ISO 9001:2015, 45001:2018 certified company. We have been working almost exclusive with major multinational corporations in consumer space.

D.K. Enterprises, a proprietorship concern of Mrs. Rekha Bansal running its business since last two decades which was taken over by our company (including all its movable assets, current assets and liabilities of manufacturing facilities of Panchkula and Vadodara) at a total consideration of ₹ 200.00 Lakhs (including goodwill of Rs. 162079.48) in terms of agreement dated May 15, 2019 by issuing 20,00,000 Equity Shares of Rs. 10 each of our company to Mrs. Rekha Bansal.

Our company's registered office and manufacturing facilities Unit I is located in Panchkula at Haryana and Unit II at Vadodra in Gujarat. We are proposing to commence manufacturing facilities at Baddi in Himachal Pradesh for manufacturing of Clear/Printed Bopp Tape, Masking/specialty tapes and Laminated Products. We are also proposing to install machinery at Vadodara (Unit II) for manufacturing of Clear/Printed Bopp Tape, Masking/specialty tapes and Laminated Products.

At present, our company is also holding 80% stake in partnership firm namely M/s. Satguru Engravures which is engaged in manufacturing and sale of Soap Stiffners, Soap Wrappers, Banding BOPP Tapes, Laminates etc. and its manufacturing facilities is located at Khasra No. 619/489, Village Koundi, Tehsil Baddi, Distt. Solan, Himachal Pradesh. Our company has invested ₹ 312.87 Lakhs (including share of profit to the extent of Rs. 75.87 Lakhs upto FY 2020-21) in M/s. Satguru Engravures. The turnover of M/s. Satguru Engravures is Rs. 2,666.36 Lakhs and profit after tax is Rs. 90.28 Lakhs for the financial year ended March 31, 2021.

## SUMMARY OF INDUSTRY IN WHICH THE COMPANY IS OPERATING

**Rise of the Indian e-commerce sector**

India has been witnessing a surge in its e-commerce sector over the last 5-6 years. The Indian e-commerce market is projected to grow to US$ 200 billion by 2026 from US$ 38.5 billion in 2017. This growth is likely to be propelled by an increase in internet and smartphone penetration and the ongoing digital transformation in the country. After India locked down in March this year, the e-commerce segment witnessed a momentary decline for a few weeks; however, re-opening of markets led to recovery and subsequently, an upsurge. Marketplaces as well as direct brand websites witnessed an overall 130% spike in online orders.

Since June, the sector has recorded massive sales events such as Myntra's End of Reason Sale, Flipkart's Independence Day Sale and Amazon's Prime Day Sales, boosting order volumes. In fact, recently, Walmart declared (in its latest earnings report) that Flipkart's GMV (Gross Merchandising Volume) has exceeded the pre-COVID 19 levels.

Another driving factor for this surge in e-commerce transactions is the emergence of first-time shoppers and the digital-first approach. Social distancing has led to significant growth of first-time online shoppers. While India's top 5 metropolitan cities continue to dominate the e-commerce sector, Tier II and III cities have also joined the race with a rising share of online shoppers. Amazon and Flipkart have gone a step further in supporting this growth in smaller cities by offering their platform content in local languages.

**Surge in e-commerce to continue post pandemic**

The post-lockdown numbers indicate a systemic shift in consumer purchasing preferences from offline to online. Customers are increasingly getting used to the comforts of online shopping.

Local retail outlets (Kirana shops) are also digitising and starting to deliver online to keep up with changing customer preferences and not lose business to large marketplaces such as Amazon and Flipkart. This is largely adding to the convenience of customers—in having everything delivered to their doorstep and saving time.

In a post-pandemic scenario, whether consumers go back to their old ways of purchasing or will the comfort, ease and discounts of online shopping continue to lure them remains a question. Nonetheless, it can be assumed that not all consumers will switch back to in-store shopping and continue buying online in the near future.

Another point to note is the change towards hygienic living—sanitisation, personal hygiene, social distancing or using healthy products—as this is expected to have a lasting impact on consumers even after the pandemic.

**Mixed impact of e-commerce on the packaging sector**

Amid the e-commerce surge, the Indian packaging industry is witnessing steep growth and is one of the strongest growing segments. According to the Indian Institute of Packaging (IIP), packaging consumption in India increased 200% in the past decade, from 4.3 kgs per person per annum (pppa) to 8.6 kgs pppa.

The industry is expected to reach US$ 204.81 billion by 2025 from US$ 50.5 billion in 2019 at 26.7% annually. The e-commerce segment of the packaging market was estimated at US$ 451.4 million in 2019 and is forecast to reach US$ 975.4 million by 2025 at 13.8% annually.

The packaging sector is categorised into two major segments (by type)—rigid and flexible packaging, with rigid packaging accounting for 64% market share. In terms of packaging materials, 55% of the sector is dominated by plastics, followed by paper & cardboard (20%) and glass (10%).

Food processing is the largest consumer of packaging at 45%, followed by pharmaceuticals (25%) and personal care products (10%). Increasing demand from these end-user segments is creating a huge potential for expansion.

***(Sources: https://www.ibef.org/blogs/indian-packaging-industry-riding-on-the-e-commerce-wave)***

## NAME OF PROMOTERS

The Promoters of our Company are Mr. Rakesh Kumar, Mrs. Rekha Bansal and Mr. Dhruv Rakesh. For detailed information on our Promoter and Promoters' Group, please refer to Chapter titled "OUR PROMOTER AND PROMOTERS' GROUP" on page no. 127 of this Draft Prospectus.

## SIZE OF THE ISSUE

Our company is proposing the fresh public issue of 1998000 equity shares of face value of ₹ 10 each of D.K. Enterprises Global Limited ("DK" or the "Company" or the "Issuer") for cash at a price of ₹ 40 per equity share including a share premium of ₹ 30 per equity share (the "issue price") aggregating to ₹ 799.20 lakh ("the issue"), of which 102000 equity shares of face value of ₹ 10 each for cash at a price of ₹ 40 per equity share including a share premium of ₹ 30 per equity share aggregating to ₹ 40.80 lakh 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 1896000 equity shares of face value of ₹ 10 each at a price of ₹ 40 per equity share including a share premium of ₹ 30 per equity share aggregating to ₹ 758.40 lakh is herein after referred to as the "net issue". The issue and the net issue will constitute 26.61% and 25.25% respectively of the post issue paid up equity share capital of our company.

## OBJECT OF THE ISSUE

**COST OF PROJECT AND MEANS OF FINANCE**

**COST OF PROJECT:**

| Sr. No. | Particulars | Amount (₹ in) Lakhs | % of Total Project Cost |
|---|---|---|---|
| 1. | Setting up of new Manufacturing Unit at Baddi, Himachal Pradesh# | 690.00 | 44.54 |
| 2. | Incremental Working Capital Requirements | 415.00 | 26.79 |
| 3. | Purchase of Plant and Machinery for Vadodara Unit | 260.00 | 16.78 |
| 4. | For General Corporate Purposes | 105.00 | 6.78 |
| 5. | Public Issue Expenses | 79.20 | 5.11 |
| **Total Cost of Project** | | **1549.20** | **100.00** |

**# BREAK UP OF THE NEW MANUFACTURING UNIT AT BADDI, HIMACHAL PRADESH**

| Sr. No. | Particulars | Amount Required (₹ in Lakhs) |
|---|---|---|
| 1. | Acquisition of Land | 200.00 |
| 2. | Construction of Building and Civil Work | 250.00 |
| 3. | Purchase of Plant and Machinery new Manufacturing Unit at Baddi, Himachal Pradesh | 240.00 |
| **Total** | | **690.00** |

**MEANS OF FINANCE:**

**(₹ In Lakhs)**

| Sr. No. | Particulars | Amount Required | From IPO Proceeds | Internal Accruals/Equity/Reserves | Balance from Borrowing* |
|---|---|---|---|---|---|
| 1. | Acquisition of Land for new Manufacturing Plant at Baddi, Himachal Pradesh | 200.00 | 200.00 | 0.00 | 0.00 |
| 2. | Construction of Building and Civil Work for new Manufacturing Plant at Baddi, Himachal Pradesh | 250.00 | 60.00 | 25.00 | 165.00 |
| 3. | Purchase of Plant and Machinery at new Manufacturing Plant at Baddi, Himachal Pradesh | 240.00 | 45.00 | 25.00 | 170.00 |
| 4. | Incremental Working Capital Requirements | 415.00 | 310.00 | 105.00 | 0.00 |
| 5. | Purchase of Plant and Machinery for Vadodara Unit | 260.00 | 0.00 | 95.00 | 165.00 |
| 6. | For General Corporate Purposes | 105.00 | 105.00 | 0.00 | 0.00 |
| 7. | Public Issue Expenses | 79.20 | 79.20 | 0.00 | 0.00 |
| **Total** | | **1549.20** | **799.20** | **250.00** | **500.00** |

*Our company has received the Expression of Interest from Canara Bank vide letter dated July 27, 2021 for amount of Rs. 500.00 Lakhs for the proposed project of our company as a term loan.

## SHAREHOLDING

The shareholding pattern of our Promoter and Promoters' Group before and after the Issue is as under;

| Sr. No. | Name of shareholders | Pre issue | | Post issue | |
|---|---|---|---|---|---|
| | | No. of equity shares | As a % of Issued Capital* | No. of equity shares | As a % of Issued Capital* |
| **Promoters** | | | | | |
| 1. | Mr. Rakesh Kumar | 724850 | 13.16 | 724850 | 9.65 |
| 2. | Mrs. Rekha Bansal | 4324850 | 78.49 | 4324850 | 57.60 |
| 3. | Mr. Dhruv Rakesh | 453500 | 8.23 | 453500 | 6.04 |
| | **Total - A** | **5503200** | **99.88** | **5503200** | **73.30** |
| Promoters' Group | | | | | |
| 1. | Mrs. Bipasha Bharti | 200 | Negligible | 200 | Negligible |
| | **Total - B** | **200** | **Negligible** | **200** | **Negligible** |
| | **Total Promoters and Promoters' Group (A+B)** | **5503400** | **99.88** | **5503400** | **73.30** |
| **Public** | | | | | |
| 10 | Pre Ipo | 6600 | 0.12 | 6600 | 0.09 |
| | **Total-C** | **6600** | **0.12** | **6600** | **0.09** |
| 11 | **Initial Public Offer - Public** | - | - | 1998000 | 26.61 |
| | **Total-D** | **-** | **-** | 1998000 | 26.61 |
| | **Total Public (C+D)** | **6600** | **0.12** | 2004600 | 26.70 |
| | **Grand Total (A+B+C+D)** | **5510000** | **100.00** | **7508000** | **100.00** |

* Rounded off

## FINANCIAL DETAILS

**Restated Standalone Financials**

**(Amount in ₹ Lakhs)**

| Sr. No. | Particulars | For the year ended on | | |
|---|---|---|---|---|
| | | March 31, 2021 | March 31, 2020 | March 31, 2019 |
| **1.** | Share Capital | 275.50 | 205.00 | 5.00 |
| **2.** | Net worth | 797.75 | 326.11 | 4.74 |
| **3.** | Revenue from operations | 4499.85 | 3297.39 | 0.00 |
| **4.** | Profit After Tax | 199.18 | 124.03 | - |
| **5.** | Earnings Per Share – Basic & Diluted | 4.83 | 3.50 | - |

| Sr. No. | Particulars | For the year ended on | | |
|---|---|---|---|---|
| | | March 31, 2021 | March 31, 2020 | March 31, 2019 |
| 6. | NAV per Equity Shares (Pre Bonus) | 28.96 | 15.91 | 9.48 |
| 7. | NAV per Equity Shares (Post Bonus) | 14.48 | 15.91 | 9.48 |
| 8. | Total Borrowings (As per Balance Sheet)* | 170.72 | 186.75 | - |

* Does not include Current Maturity of Long Term Borrowing.

**Restated Consolidated Financials**

**(Amount in ₹ Lakhs)**

| Sr. No. | Particulars | For the year ended on | |
|---|---|---|---|
| | | March 31, 2021 | March 31, 2020 |
| 1. | Share Capital | 275.50 | 205.00 |
| 2. | Net worth | 797.75 | 327.18 |
| 3. | Revenue from operations | 6,483.89 | 4511.24 |
| 4. | Profit After Tax | 243.86 | 149.51 |
| 5. | Earnings Per Share – Basic & Diluted | 5.91 | 4.22 |
| 6. | NAV per Equity Shares (Pre Bonus) | 28.96 | 15.96 |
| 7. | NAV per Equity Shares (Post Bonus) | 14.48 | 15.96 |
| 8. | Total Borrowings (As per Balance Sheet)* | 668.76 | 529.41 |

* Does not include Current Maturity of Long Term Borrowing.

## AUDITORS' QUALIFICATIONS

There are no Auditor qualification which have not been given effect to in the Restated Financial Statements and Restated Consolidated Financial Statements.

## OUTSTANDING LITIGATIONS

**Litigations against Directors**

**i. Against Mr. Jeenendra Prakash Singhvi:**

**Under Income Tax Act, 1961**

Following Demand by Income Tax Department;

| Sr. No. | Assessment Year | Date of Demand | Demand Reference No. | Section Code | Payable Amount | Net Payable Amount |
|---|---|---|---|---|---|---|
| 1 | 2018 | May 20, 2019 | 2019201837025754156T | 143 | 81,420.00 | 81,420.00 |
| 2 | 2019 | June 02, 2020 | 2020201937006340594T | 143a | 105160.00 | 105160.00 |

**Litigations against Subsidiary Company**

**Against M/s Satguru Engravures (Subsidiary Firm)**

**Under Income Tax Act, 1961**

Following Demand by Income Tax Department

| Sr. No. | Assessment Year | Date of Demand | Demand Reference No. | Section Code | Net Payable Amount |
|---|---|---|---|---|---|
| 1 | 2018 | December 24, 2020 | 202020183702352887 4T | 143(3) | 16,430.00 |

## RISK FACTORS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. 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 offered in the Issue

have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the section titled "RISK FACTORS" beginning on page no. 18 of this Draft Prospectus.

## CONTINGENT LIABILITIES

**As per Restated Standalone Financial Statement**

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| Bank Guarantee/ LC Discounting for which FDR margin money has been given to the bank as Security | 0.00 | 0.00 | 0.00 |
| Capital Commitment | 0.00 | 0.00 | 0.00 |
| Income Tax Demand | 0.00 | 0.00 | 0.00 |
| TDS Demands | 0.03 | 0.00 | 0.00 |
| **Total** | **0.03** | **0.00** | **0.00** |

**As per Restated Consolidated Financial Statement**

| Particulars | As at March 31 | |
|---|---|---|
| | 2021 | 2020 |
| Bank Guarantee/ LC Discounting for which FDR margin money has been given to the bank as Security | 0.00 | 0.00 |
| Capital Commitment | 0.00 | 0.00 |
| Income Tax Demand | 0.16 | 0.00 |
| TDS Demands | 0.03 | 0.00 |
| **Total** | **0.19** | **0.00** |

## RELATED PARTY TRANSACTIONS

**ANNEXURE – J (A) : RESTATED CONSOLIDATED STATEMENT OF RELATED PARTY DISCLOSURES**

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.

A. List of Related Parties and Nature of Relationship:

| Particulars | Name of Related Parties |
|---|---|
| **1. Other Related Parties:** | |
| a) Key Management Personnel's | Mr. Dhruv Rakesh |
| | Mr. Rakesh Kumar |
| | Mrs. Rekha Bansal |
| | Ms. Amanpreet Kaur (Company's Secretary) |
| | Mr. Baljeet Singh (CFO) |
| b) Concern's in which KMP or their relatives are interested | D.K. Enterprises (Proprietorship of Mrs. Rekha Bansal) |
| | Rakesh Kumar HUF |
| | Sankyo Enterprises (Proprietorship of Mr. Dhruv Rakesh) |

Note 1 : The above statements should be read with the significant accounting policies and notes to restated summary, statement of assets and liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - J(B) - Transactions carried out with related parties referred to in (1) above, in ordinary course of business:**

**(Rs. In Lakhs)**

| Nature of Transactions | Name of Related Parties | As at March 31 | |
|---|---|---|---|
| | | 2021 | 2020 |
| 1.Directors Remuneration | Mr. Dhruv Rakesh | 12.00 | 10.50 |
| | Mr. Rakesh Kumar | 24.00 | 21.00 |
| **Total** | | **36.00** | **31.50** |
| 2. Office Rent paid | Mr. Dhruv Rakesh | 4.80 | - |

| Nature of Transactions | Name of Related Parties | As at March 31 | |
|---|---|---|---|
| | | 2021 | 2020 |
| | Mrs Rekha Bansal | 28.80 | 12.60 |
| **Total** | | **33.60** | **12.60** |
| 3. Loan Recived (Paid) during the Year to Related Parties | **Rakesh Kumar HUF** | | |
| | Opening Balance | 46.38 | - |
| | Loan Received during the year | 5.33 | 46.38 |
| | Loan Paid during the year | (51.72) | |
| | **Closing Balance** | | **46.38** |
| | **Mr. Rakesh Kumar** | | |
| | Opening Balance | 90.00 | - |
| | Loan Received during the year | 5.73 | 90.00 |
| | Loan Paid during the year | (95.73) | |
| | **Closing Balance** | **-** | **90.00** |
| 4. Salary to KMP | Mr. Baljeet Singh (CFO) | 5.95 | - |
| | Ms. Amanpreet Kaur (Company's Secretary) | 0.51 | - |
| **Total** | | **6.46** | **-** |
| 5. Sale to Related Parties | D.K. Enterprises (Proprietorship of Mrs. Rekha Bansal) | - | 437.76 |
| **Total** | | | **437.76** |
| 6. Purchase from Related Parties | Sankyo Enterprises | 38.81 | 19.73 |
| | D.K. Enterprises (Proprietorship of Mrs. Rekha Bansal) | - | 32.91 |
| **Total** | | **38.81** | **52.64** |
| 7.Right Issue of Shares | Mr. Dhruv Rakesh | 80.80 | - |
| | Mr. Rakesh Kumar | 140.00 | - |
| | Mrs. Rekha Bansal | 60.00 | - |
| | Mr. Baljeet Singh (CFO) | 0.40 | - |
| | | **281.20** | **-** |
| 8. Interest on Loan | Mr. Rakesh Kumar | 5.73 | 8.73 |
| | Rakesh Kumar HUF | 5.33 | 4.46 |
| **Total** | | **11.06** | **13.19** |
| 9. Takeover | DK Enterprises* | - | 200.00 |
| **Total** | | **-** | **200.00** |

*Proprietorship of Rekha Bansal - "D.K. Enterprise" was acquired in the F.Y. 2019-20 for the consideration of Rs. 200 Lacs by issue of 2000000 equity shares of Rs. 10 for consideration other than Cash

Note : The above statements should be read with the significant accounting policies and notes to restated summary, statement of assets and liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - J(C) - Outstanding Balance as at the end of the year**

**(Rs. In Lakhs)**

| Nature of Transactions | Name of Related Parties | 2021 | 2020 |
|---|---|---|---|
| 1. Payables | Mr. Rakesh Kumar | - | 90.00 |
| | Rakesh Kumar HUF | - | 46.38 |
| **Total** | | **-** | **136.38** |
| 2. Receivables | Sankyo Enterprises | - | 0.31 |
| **Total** | | **-** | **0.31** |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, statement of assets and liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - J(A) : RESTATED STANDALONE STATEMENT OF RELATED PARTY DISCLOSURES**

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.

**A.** List of Related Parties and Nature of Relationship :

| Particulars | Name of Related Parties |
|---|---|
| a) Key Management Personnel's | Mr. Dhruv Rakesh |
| | Mr. Rakesh Kumar |
| | Mrs. Rekha Bansal |
| | Ms. Amanpreet Kaur (Company Secretary) |
| | Mr. Baljeet Singh (CFO) |
| b) Concern's in which KMP or their relatives are interested | D.K. Enterprises (Proprietorship of Mrs. Rekha Bansal) |
| | Rakesh Kumar HUF |
| | Sankyo Enterprises (Proprietorship of Mr. Dhruv Rakesh) |
| c) Subsidiary Companies/Firm | Satguru Engravures |

**Note 1** : The above statements should be read with the significant accounting policies and notes to restated summary, statement of assets and liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - J(B) - Transactions carried out with related parties referred to in (1) above, in ordinary course of business:**

**(Rs. In Lakhs)**

| Nature of Transactions | Name of Related Parties | As at March 31 | | |
|---|---|---|---|---|
| | | 2021 | 2020 | 2019 |
| 1. Directors Remuneration | Mr. Dhruv Rakesh | 12.00 | 10.50 | - |
| | Mr. Rakesh Kumar | 24.00 | 21.00 | - |
| **Total** | | **36.00** | **31.50** | **-** |
| 2. Office Rent paid | Mr. Dhruv Rakesh | 4.80 | - | - |
| | Mrs. Rekha Bansal | 28.80 | 12.60 | - |
| **Total** | | **33.60** | **12.60** | **-** |
| 3. Loan Received(Paid) during the Year to Related Parties | **Rakesh Kumar HUF** | | | |
| | Opening Balance | 46.38 | - | |
| | Loan Received during the year | 5.33 | 46.38 | |
| | Loan Paid during the year | (51.72) | | |
| | **Closing Balance** | **-** | **46.38** | **-** |
| | **Mr. Rakesh Kumar** | | | |
| | Opening Balance | 90.00 | - | |
| | Loan Received during the year | 5.73 | 90.00 | |
| | Loan Paid during the year | (95.73) | | |
| | **Closing Balance** | **-** | **90.00** | **-** |
| 4. Salary to KMP | Mr. Baljeet Singh (CFO) | 5.95 | - | - |
| | Ms. Amanpreet Kaur (Company Secretary) | 0.51 | - | |
| **Total** | | **6.46** | **-** | **-** |
| 5. Sale | D.K. Enterprises (Proprietorship of Mrs. Rekha Bansal) | - | 437.76 | - |
| | Satguru Engravures | 220.71 | 95.57 | |
| **Total** | | **220.71** | **533.33** | **-** |
| 6. Purchases | Sankyo Enterprises | 38.81 | 19.73 | - |
| | D.K. Enterprises (Proprietorship of Mrs. Rekha Bansal) | - | 32.91 | |
| | Satguru Engravures | 614.02 | 78.00 | - |
| **Total** | | **652.83** | **130.64** | |
| 7. Investment in Firm | Satguru Engravures | 55.00 | 182.00 | - |
| **Total** | | **55.00** | **182.00** | **-** |
| 8.Profit From Partnership Firm | Satguru Engravures | 47.43 | 28.44 | - |
| **Total** | | **47.43** | **28.44** | **-** |
| 9.Right Issue of Shares | Mr. Dhruv Rakesh | 80.80 | - | - |
| | Mr. Rakesh Kumar | 140.00 | - | |
| | Mrs. Rekha Bansal | 60.00 | - | |
| | Mr. Baljeet Singh (CFO) | 0.40 | - | |
| **Total** | | **281.20** | **-** | **-** |
| 10. Interest on Loan | Mr. Rakesh Kumar | 5.73 | 8.73 | - |
| | Rakesh Kumar HUF | 5.33 | 4.46 | - |

| Particulars | Name of Related Parties | | | |
|---|---|---|---|---|
| **Total** | | **11.06** | **13.19** | |
| 11. Takeover | DK Enterprises* | - | 200.00 | - |
| | **Total** | **-** | **200.00** | |

*Proprietorship of Rekha Bansal - "D.K. Enterprise" was acquired in the F.Y. 2019-20 for the consideration of Rs. 200 Lacs by issue of 2000000 equity shares of Rs. 10 for consideration other than Cash

**Note** : The above statements should be read with the significant accounting policies and notes to restated summary, statement of assets and liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

## FINANCING ARRANGEMENTS

The promoter, members of the promoter group, the directors of the company which is a promoter of the issuer, the directors of the issuer and their relatives have not financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Prospectus.

## COST OF ACQUISITION & WEIGHTED AVERAGE COST

**Weighted average price at which the Equity Shares were acquired by our Promoter in Last One Year:**

| Sr. No. | Name of Promoters | No. of Equity Shares held | Average Cost of Acquisition per equity share (in ₹) |
|---|---|---|---|
| 1. | Mr. Rakesh Kumar | 724850 | 19.65 |
| 2. | Mrs. Rekha Bansal | 4324850 | 2.59 |
| 3. | Mr. Dhruv Rakesh | 453500 | 19.44 |

* The average cost of acquisition of Equity Shares by our Promoter has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares less amount received by them for the sale of Equity Shares through transfer in last one year, if any and the net cost of acquisition has been divided by total number of shares acquired (net of sales if any) in last one year".

## Average Cost of Acquisitions of Shares for Promoters:

| Sr. No. | Name of Promoters | No. of Equity Shares held | Average Cost of Acquisition per equity share (in ₹) |
|---|---|---|---|
| 1. | Mr. Rakesh Kumar | 724850 | 19.49 |
| 2. | Mrs. Rekha Bansal | 4324850 | 6.04 |
| 3. | Mr. Dhruv Rakesh | 453500 | 19.18 |

* The average cost of acquisition of Equity Shares by our Promoter has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date of the Draft Prospectus".

## PRE-IPO PLACEMENT

Our company has not issued any equity shares under Pre IPO Placement except as disclosed under chapter title "Capital Structure" on Page no. 43 of this Draft Prospectus

## ISSUE OF SHARES FOR CONSIDERATION OTHE THAN CASH

Our Company has not issued shares for consideration other than cash during last one year except for allotment of 2755000 equity shares as Bonus Shares (in the ratio of 1:1) on April 26, 2021. For details please refer to chapter title "Capital Structure" on Page no. 43 of this Draft Prospectus.

## SPLIT / CONSOLIDATION

No Split or Consolidation were happened during the last one year.

## SECTION III – RISK FACTORS

## RISK FACTORS

An investment in equity involves a high degree of risk. Investors should carefully consider all the information in this Offer Document, including the risks and uncertainties described below, before making an investment in our equity shares. Any of the following risks as well as other risks and uncertainties discussed in this Offer Document could have a material adverse effect on our business, financial condition and results of operations and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or part of your investment. In addition, the risks set out in this Offer Document may not be exhaustive and additional risks and uncertainties, not presently known to us, or which we currently deem immaterial, may arise or become material in the future. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.

To the extent the COVID-19 pandemic adversely affects our business and results of operations, it may also have the effect of heightening many of the other risks described in this section. 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. You should consult your tax, financial and legal advisers about the particular consequences to you of an investment in our Equity Shares.

**The Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in the Draft Prospectus.**

### MATERIALITY

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

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

### NOTE:

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

In this Draft Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in "RISK FACTORS" and elsewhere in this Draft Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in our restated financial statements prepared in accordance with Indian GAAP.

Unless otherwise specifically provided in the respective Risk factors given below, the amounts of impact of risks specified hereunder, on our financial conditions, are not quantifiable.

### INTERNAL RISK FACTORS:

1. **Our business requires us to obtain and renew certain registrations, licenses and permits from government and regulatory authorities and the failure to obtain and renew them in a timely manner may adversely affect our business operations.**

Our business operations require us to obtain and renew from time to time, certain approvals, licenses, registration and permits, some of which may expire and for which we may have to make an application for obtaining the approval or its renewal. If we fail to maintain such registrations and licenses or comply with applicable conditions, then such respective regulatory can impose fine on our company or suspension and/or cancellation the approval/licenses which may affect our business adversely.

Some of the permits, licenses and approvals etc. are granted for a fixed period of time and may expire and for which we may have to make an application for obtaining the approval or its renewal. Failure 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. Moreover, there can be no assurance that the relevant authorities will issue or renew any of such permits or approvals in time or at all. Further, certain statutory and regulatory authority may put certain terms and conditions, which are required to be complied with by us. Any default by our Company in complying with the same, may

result in inter alia the cancellation of such licenses, consents, authorizations and/or registrations, which may adversely affect our operations. For more information on the various statues applicable to our company, please refer chapter titled "KEY INDUSTRY REGULATIONS" appearing on Page no. 101 of this Draft Prospectus.

For more information about the licenses required in our business and the licenses and approvals taken by our company please refer chapter titled "GOVERNMENT APPROVALS" appearing on Page no. 204 of this Draft Prospectus.

**2. Our Company is planning to set up the manufacturing facilities at Baddi, Himachal Pradesh for manufacturing of Clear/Printed Bopp Tape, Masking/specialty tapes and Laminated Products.**

Our Company is planning to set up the manufacturing facilities at Baddi, Himachal Pradesh for manufacturing of Clear/Printed Bopp Tape, Masking/specialty tapes and Laminated Products for which cost of project is of approx. Rs. 690.00 Lakhs and out of which cost of Land is estimated to Rs. 200.00 Lakhs, construction of building and civil work is estimated to Rs. 250.00 Lakhs and remaining Rs. 240.00 Lakhs towards plant and machinery and installation thereof. Out of the total issue proceeds, our company will utilize Rs. 305.00 Lakhs towards setting up the said manufacturing facilities and remaining amount from amount internal accruals and borrowings. In case, our company unable to set up the manufacturing facilities or unable to receive requisite approvals for setting up the manufacturing facilities at Baddi, Himachal Pradesh, we have to find alternates routes for deployment of funds raised through proceeds of IPO. Moreover, schedule of implementation for competition of project is by financial year 2022-23, our company may use interim proceeds of IPO until the proposed manufacturing facilities commences and completes.

**3. Out of total cost of Plant & Machinery worth ₹ 500.00 lakhs, we are yet to place order for purchase of Plant & Machinery which constitutes 100% of the total cost of Plant & Machinery.**

Our company has not placed any order for purchase of Plant & Machinery out of total budgeted cost of ₹ 500.00 lakhs. The quotations have been received by our company for Plant & Machinery from various supplier. Out of total cost of Plant & Machinery of Rs. 500 Lakhs, Plant & Machinery worth Rs. 240.00 Lakhs will be installed at our new manufacturing facility at Baddi, Himachal Pradesh and remaining Plant & Machinery worth Rs. 260 Lakhs will installed at our existing manufacturing Unit II situated at Vadodara, Gujarat.

Plant & Machinery to be installed at our proposed new manufacturing facility at Baddi, Himachal Pradesh is expected to be installed by end of December 2022. Although, our promoters are confident that the machines will be available at the price as per the quotation given by various suppliers, there can be no assurance that such Plant & Machinery will available at same pricing on the date of placing order.

**4. Our company has not identified proposed land to be acquired from the proceeds of the issue.**

Our company intends to utilize part of the issue proceeds to the extent of Rs. 200.00 Lakhs towards acquisition of land for our proposed Manufacturing project at Baddi, Himachal Pradesh. Our company has not identified proposed land to be acquired till the date of this draft prospectus. The management of the company after their internal survey and assessment have estimated the cost of land of Rs 200 lacs and also availability is ensured by various property dealers of that locality Although, our promoter and management are confident enough that our company will be in position to acquired requisite piece of land worth Rs. 200.00 Lakhs for setting up manufacturing facilities at Baddi, Himachal Pradesh, there can no assurance that our company will be able to acquire such land in budget amount of Rs. 200.00 Lakhs.

**5. Our manufacturing and marketing under our own brands are exposed to fluctuations in the prices of raw materials.**

Our Company is dependent on third party suppliers for raw material required for manufacturing our products. We are exposed to fluctuations in the prices of these raw material as well as its unavailability, particularly as we typically do not enter into any long term supply agreements with our suppliers for all such raw materials. We may be unable to control the factors affecting the price at which we procure the raw materials. Upward fluctuations in the prices of such raw material may thereby affect our margins and profitability, resulting in a material adverse effect on our business, financial condition and results of operations. Though we enjoy favourable terms from the suppliers both in prices as well as in supplies, our inability to obtain high quality raw materials in a timely and cost-effective manner would cause delays in our production/trade cycles and delivery schedules, which may result in the loss of our customers and revenues.

**6. The Company is dependent on few numbers of customers for sales. Loss of any of this large customer may affect our revenues and profitability.**

Our top ten customers namely HUL, ITC, Godrej, Patanjali, Amul, Philips, reckitt/Dettol, phone pe and Vodafone VI Contributes almost 74.63% and 58.91% of our total sales for the year ended March 31, 2021 and 2020 respectively on consolidated basis. Any decline in our quality standards, growing competition and any change in the demand, may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of

operations. However, the composition and revenue generated from these customers might change as we continue to add new customers in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new customers, there can be no assurance that we will be able to maintain long term relationships with such customers or find new customers in time.

**7. The Company is dependent on few numbers of suppliers for purchase of product. Loss of any of this large suppliers may affect our business operations.**

Our top ten suppliers contributes 64.98% and 65.38% of our total purchase of our product/supplies for the year ended March 31, 2021 and 2020 respectively on consolidated basis. We cannot assure that we will be able to get the same quantum and quality of supplies, or any supplies at all, and the loss of supplies from one or more of them may adversely affect our purchases of stock and ultimately our revenue and results of operations. However, the composition and amount of purchase from these suppliers might change as we continue seek new suppliers for our product for better quality and price in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new suppliers, there can be no assurance that we will be able to maintain long term relationships with such suppliers or find new suppliers in time.

**8. Our company have not allotted Equity Shares in Demat Mode,.**

Our Company was incorporated as public limited company on February 26, 2019. On May 23, 2019, our company has allotted 20,00,000 Equity Shares of ₹ 10 each, on preferential allotment basis to Mrs. Rekha Bansal against takeover of running business of DK ENTERPRISES, proprietorship firm of Mrs. Rekha Bansal. Our company has not allotted such 20,00,000 Equity Shares in dematerialized mode in adherence with Rule 9A of Companies (Prospectus and Allotment of Securities) Rules, 2014. Although ROC, Delhi has not initiated action against our company, in future they might initiate requisite action and may levy penalty against our company and promoters and as a result if may affect our financial position to that extent.

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

Our business is working capital intensive primarily on account of credit period given to customers, amounts blocked in Finished Goods. Summary of our working capital position is given below:-

(₹ In Lakh)

| Particulars | As per Restated Standalone financial statement | | |
|---|---|---|---|
| | 31-Mar-19 | 31-Mar-20 | 31-Mar-21 |
| Inventories | | | |
| ➢ Finished Goods | - | 15.40 | 33.80 |
| ➢ Work In Progress | | 13.93 | 17.02 |
| ➢ Raw Material | - | 136.55 | 409.59 |
| Trade receivables | - | 414.49 | 497.74 |
| Cash and cash equivalents | - | 27.54 | 91.00 |
| Short-term loans and advances | - | 52.22 | 97.76 |
| Other Current Assets | - | 5.33 | 14.37 |
| **Total Current Assets** | **-** | **665.46** | **1,161.28** |
| | | | |
| | | | |
| Trade payables | - | 613.39 | 728.87 |
| Other current liabilities | - | 89.96 | 75.48 |
| Short-term provisions | - | - | 9.28 |
| **Total Current Liabilities** | **-** | **703.35** | **813.62** |
| **Net Working Capital** | **-** | **(37.89)** | **347.66** |
| | | | |
| **Incremental Working Capital** | | | |
| | | | |
| **Sources of Funds** | | | |
| Short Term Borrowing | - | - | 127.79 |
| Unsecured Loan from Directors/Relatives | - | - | - |
| Internal Accruals/Existing Net worth | - | - | 219.87 |
| Proceeds from IPO | - | - | - |
| **Total** | **-** | **-** | **347.66** |

Our Company intend to continue growing by expanding our export operations and widening our products base. All these factors may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. For further details regarding incremental working capital requirement, please refer to the chapter titled ―OBJECTS OF THE ISSUE beginning on page no. 61 of this Draft Prospectus.

**10. The capacity of the manufacturing Unit I and II are not fully utilized, consecutively, if there is any under-utilization of our proposed capacities in such case this could affect our ability to fully absorb fixed costs and thus may adversely impact our financial performance.**

The capacities at our manufacturing unit I and II have not been fully utilized, the details of which are as follows. In addition, our company is planning to set up additional manufacturing facilities at Vadodara (Unit II).

| Name of Products | FY 2018-19 | | | FY 2019-20 | | | FY 2020-21 | | |
|---|---|---|---|---|---|---|---|---|---|
| | No. of Units Manufactured (M.T per Annum) | Installed Capacity No. of Units (M.T per Annum) | % of Installed Capacity | No. of Units Manufactured (M.T per Annum) | Installed Capacity No. of Units (M.T per Annum | % of Installed Capacity | No. of Units Manufactured (M.T per Annum) | Installed Capacity No. of Units (M.T per Annum) | % of Installed Capacity |
| **Panchkula (Unit – I)** | | | | | | | | | |
| Easy Release/Soap Banding Tape | NA | NA | NA | 401.49 | 800 | 50 | 508 | 800 | 63% |
| Clear/Printed Bopp Tape | NA | NA | NA | 187.38 | 600 | 31 | 448 | 600 | 75% |
| Laminated Products | NA | NA | NA | 221.45 | 350 | 63 | 259 | 350 | 74% |
| Promotional/ Advertising Shelf Strip Tapes | NA | NA | NA | 65.55 | 120 | 55 | 73 | 120 | 61% |
| MASKING | NA | NA | NA | 14.65 | 100 | 15 | 32 | 100 | 32% |
| **Vadodara (Unit II)** | | | | | | | | | |
| Corrugated Box | NA | NA | NA | 1233.09 | 1800 | 69 | 1108 | 1800 | 62 |
| Sleeve Roll, Tray & Sheets | NA | NA | NA | 1786.60 | 3600 | 50 | 2125 | 3600 | 59 |

**Note:** a) In the financial year 2019-20, our manufacturing facilities at Panchkula (Unit I) and Vadodara (Unit II) were operative for approx. 10.5 months, as our company had acquired the running business of D.K. Enterprises (including all its movable assets, current assets and liabilities of manufacturing facilities of Panchkula and Vadodara) in terms of agreement dated May 15, 2019. The capacity utilization for the financial year 2019-20 is not capitalized, whereas installed capacity is considered for the full financial year.

**11. If we cannot respond adequately to the increased competition we expect to face, we will lose market share and our profits will decline, which will adversely affect our business, results of operations and financial condition.**

Our products face competition from products commercialized or under development by competitors in all of our product portfolios. We compete with local companies, multi-national corporations and companies from the rest of world. If our competitors gain significant market share at our expense, our business, results of operations and financial condition could be adversely affected.

Many of our competitors may have greater financial, manufacturing, research and development, marketing and other resources, more experience in obtaining regulatory approvals, greater geographic reach, broader product ranges and stronger sales forces. Our competitors may succeed in developing products that are more effective, more popular or cheaper than products which we have developed or we may develop, which may render our products obsolete or uncompetitive and adversely affect our business and financial results. Also, we face pressure on our margins due to pricing competition from several small and organized local players. Presence of such players has resulted in increasing competitive environment characterized by stiff price competition.

**12. We generally do business with our customers on purchase order basis and do not enter into long term contracts with most of them.**

Our business is dependent on our continuing relationships with our customers. Our Company neither has any long-term contract with any of customers. Any change in the buying pattern of our end users or disassociation of major customers can adversely affect the business of our Company. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.

**13. Our Company's failure to maintain the quality standards of the products or keep pace with the technological developments could adversely impact our business, results of operations and financial condition.**

Our products depend on recent inventions and developments as we market the products as per the market trends. Any failure to maintain the quality standards may affect our business. Although we have put in place strict quality control procedures, we cannot assure that our products will always be able to satisfy our customer's quality standards. Any negative publicity regarding our Company, or products, including those arising from any deterioration in quality of our products from our vendors, or any other unforeseen events could adversely affect our reputation, our operations and our results from operations. Also, rapid change in our customer's expectation on account of changes in technology or introduction of new products or for any other reason and failure on our part to meet their expectation could adversely affect our business, result of operations and financial condition. While, we believe that we have always introduced new products based on consumers need to cater to the growing demand of our customers and also endeavor regularly update our existing technology, our failure to anticipate or to respond adequately to changing technical, market demands and/or client requirements could adversely affect our business and financial results.

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

Certain Group Companies/entities and although our subsidiary company are involved in similar line of Business that is being carried out by our Company. Also our Company has entered into various transactions with our Group Companies, subsidiary companies and will continue to do in future. For detailed information for our transaction with group Companies, subsidiary companies please refer to Annexure - J and J of Restated financial Statement under chapter titled "Auditors Report and Financial Information of our Company" beginning on page no. 157 and 185 respectively of this Draft Prospectus. Further, we have not entered into any non-compete agreement with our said entity. We cannot assure you that our Promoters, Promoter's Group or Directors who have common interest in said entities may not favor the interest of the said entity. Any such present and future conflicts could have a material effect on our reputation, business, results of operations and financial condition which may affect our profitability and results of operations.

**15. Our Company is dependent on third party transportation for the delivery of products and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.**

Our Company uses third party transportation for delivery of our products. However customers located nearby our manufacturing Units to whom we supplied our products through our own transport vehicle. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. These transportation facilities may not be adequate to support our existing and future operations. In addition such goods may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of products which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our raw materials may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather-related problems, strikes, lockouts, inadequacies in the road infrastructure and port facilities, or other events could impair ability to deliver goods on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

**16. The average cost of acquisition of Equity shares by our Promoters is lower than the Issue price. Our promoters average cost of acquisition of Equity shares in our Company is lower than the Issue Price of Equity shares as given below:**

| Sr. No. | Name of Promoters | No. of Equity Shares held | Average Cost of Acquisition per equity share (in ₹)* |
|---|---|---|---|
| 1. | Mr. Rakesh Kumar | 7,24,850 | 19.49 |
| 2. | Mrs. Rekha Bansal | 43,24,850 | 6.04 |
| 3. | Mr. Dhruv Rakesh | 4,53,500 | 19.18 |

*The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them and also acquisition of the business to acquire, by way of fresh issuance or transfer, the Equity Shares less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date of the Draft Prospectus.

**17. Our success depends in large part upon the strength of our management team and other skilled professionals. If we fail to attract, retain and manage transition of these personnel, our business may be unable to grow and our revenue could decline.**

The continued efforts of the senior members of our management team and other skilled professionals are critical to our success. Our ability to execute engagements and to obtain new clients depends in large part on our ability to attract, train, motivate and retain skilled professionals, especially senior management personnel, senior technical personnel, project managers etc. If we cannot hire and retain additional qualified personnel, our ability to obtain new projects and to continue to expand our business will be impaired and our revenue could decline. We believe that there is significant competition within our industry for professionals with the skills necessary for better performance, particularly in the locations in which we have operations. We may not be able to hire and retain enough skilled and experienced employees to replace those who leave. Increasing competition for technology professionals may also impact our ability to retain personnel. Changes in government policies may also affect our ability to attract hire and retain personnel. If we are unable to offer them higher compensation, we may be unable to attract or retain them. Our business, financial condition and results of operations could be adversely affected if we are unable to manage employee hiring and attrition to achieve a stable and efficient workforce structure.

**18. In the event there is any delay in the completion of the Issue, or delay in schedule of implementation, there would be a corresponding delay in the completion of the objects of this Issue which would in turn affect our revenues and results of operations.**

The funds that we receive would be utilized for the objects of the Issue as has been stated in the chapter titled "OBJECTS OF THE ISSUE" on Page no. 61 of this Draft Prospectus. The proposed schedule of implementation of the objects of the Issue is based on our management's estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, it may adversely affect our revenues and results of operations.

**19. We have not identified any alternate source of raising the funds required for our 'Objects of the Issue'. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.**

Our Company has not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds may require us to borrow the funds on unfavorable terms; such scenarios may affect the business operation and financial performance of the company.

**20. Our operations may be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other industrial unrest or dispute.**

While we have not experienced any unrest or dispute in our company in the past, we cannot be certain that we will not suffer any disruption to our operations due to strikes, work stoppages or increased salary demands in the future. Further, if our work force in our unit unionizes in the future, collective bargaining efforts by employee unions may divert our management's attention and result in increased costs. We may be unable to negotiate acceptable collective wage settlement agreements with those workers who have chosen to be represented by unions, which may lead to union-initiated strikes or work stoppages. Any shortage of skilled and experienced workers caused by such industrial unrest or disputes may adversely affect our business, results of operations and financial condition. Further, under Indian law, we may be held liable for wage payments or benefits and amenities made available to "daily wage" workers. Any requirement to discharge such payment obligations, benefits or amenities or to absorb a significant portion of the salary on our own rolls may adversely affect our business, results of operations and financial condition.

**21. In addition to normal remuneration, other benefits and reimbursement of expenses to our Promoters and Directors; they are interested to the extent of their shareholding and dividend entitlement thereon in our Company and for the transactions entered into between our Company and themselves as well as between our Company and our Group Companies/Entities.**

Our Promoters – Directors are interested in our Company to the extent of their shareholding and dividend entitlement thereon in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. Our Promoters and Directors are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Company/Entity which may be or may not be at Arms' Length Price and in Ordinary Course of Business. If the transactions are executed not on Arms' Length Price and in Ordinary Course of Business, our financial position may get affected to that extent. For details of transactions already executed by our Company with our Promoters, Directors and Group Companies/Entities during last three years, please refer to the "Annexure – J" and Annexure J - "RELATED PARTY TRANSACTION" of Restated Financial Statements under the Chapter titled "RESTATED FINANCIAL INFORMATION" beginning on Page No. 157 and 185 of this Draft Prospectus.

**22. Our Object has not been appraised by any Bank or Financial Institution. Any significant deviation in the Object could adversely impact our operations and sustainability in absence of any independent monitoring agency.**

We have estimated fund raising to the extent of ₹ 799.20 Lakh to finance the 'Objects of the Issue' (including Issue Expenses). The proposed objects for which the funds are being raised have not been appraised by any Bank or Financial Institution and the fund requirements are based primarily on management estimates. There is no guarantee that our estimates will prove to be accurate and any significant deviation in the project cost could adversely impact our operations and sustainability in the absence of any independent monitoring agency. For details of the "OBJECT OF THE ISSUE", please refer Page no. 61 of this Draft Prospectus.

**23. Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject to and this may have a material adverse effect on our business.**

While we believe that we maintain insurance coverage in amounts consistent with industry norms. If any or all of our facilities are damaged in whole or in part and our operations are interrupted for a sustained period, there can be no assurance that our insurance policies will be adequate to cover the losses that may be incurred as a result of such interruption or the cost of repairing or replacing the damaged facilities. If we suffer a large uninsured loss or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and result of operations may be materially and adversely affected.

**24. Our Promoters play key role in our functioning and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that our Promoters and Executive Directors remain associated with us. Our success also depends upon the services of our key managerial personnel and our ability to attract and retain key managerial personnel and our inability to attract them may affect our operations.**

We benefit from our relationship with our Promoters and our success depends upon the continuing services of our Promoters and executive Directors who have been responsible for the growth of our business and is closely involved in the overall strategy, direction and management of our business. Our Promoters and executive Directors have been actively involved in the day to day operations and management. Accordingly, our performance is heavily dependent upon the services of our Promoters and executive Directors. If our Promoters and executive directors unable or unwilling to continue in their present position, we may not be able to replace them easily or at all. Further, we rely on the continued services and performance of our key executives and senior management for continued success and smooth functioning of the operations of the Company. If we lose the services of any of our key managerial personnel, we may be unable to locate suitable or qualified replacements, and may incur additional expenses to recruit and train new personnel, which could adversely affect our business operations and affect our ability to continue to manage and expand our business. Our Promoters and executive Directors, along with the key managerial personnel, have over the years built relations with various customers and other persons who form part of our stakeholders and are connected with us. The loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

**25. Our Company has entered into related party transactions and may continue to do so in the future.**

Our Company has entered into related party transactions with our Promoters, Directors, Promoter Group, Group companies/entities, subsidiary company during the last two Financial Years. While our Company believes that all such transactions have been conducted on the arm's length basis, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with related parties. There can be no assurance that

such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details, please refer to please refer to the "Annexure – J" and "Annexure – J" "RELATED PARTY TRANSACTION" of Restated Financial Statements on standalone and consolidated basis under the Chapter titled "RESTATED FINANCIAL INFORMATION" beginning on Page No. 157 and 185 of this Draft Prospectus.

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

Post this Issue, our Promoter and Promoter Group will collectively own 73.30% of our post issue equity share capital. As a result, our Promoter, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoter will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or other shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

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

In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that requires us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to modify the objects of the Issue as prescribed in the SEBI (ICDR) Regulations. If our shareholders exercise such exit option, our business and financial condition could be adversely affected. Therefore, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company, which may restrict our ability to respond to any change in our business or financial condition and may adversely affect our business and results of operations. For further details of the proposed objects of the Issue, refer chapter titled "OBJECTS OF THE ISSUE" on Page no. 61 of this Draft Prospectus.

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

The issue proceeds is entirely at the discretion of the issuer/management. As per SEBI (ICDR) Regulations, 2018, appointment of monitoring agency is required only if Issue size exceeds ₹ 10,000 Lakh. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, as per the Section 177 of the Companies Act, 2013 the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.

**29. Our inability to manage growth could disrupt our business and reduce profitability.**

A principal component of our strategy is to continuously grow by expanding the size and geographical scope of our businesses. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values and entrepreneurial environment, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations financial condition, cash requirements, business prospects and any other financing arrangements.

Additionally, we may not be permitted to declare any dividends under the loan financing arrangement that our Company may enter into future, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof.

Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value.

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

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

**32. Our inability to effectively implement our business and growth strategy may have an adverse effect on our operation and growth.**

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

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

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

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

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

**35. The requirements of being a public listed company may strain our resources and impose additional requirements.**

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner. Failure of our Company to meet the listing requirements of stock exchange could lead to imposition of huge penalties, if any including suspension of trading, imposed by Stock Exchange.

## EXTERNAL RISK FACTORS

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

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, change in regulatory framework, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism.

**2. Any changes in the regulatory framework could adversely affect our operations and growth prospects**

Our Company is subject to various regulations and policies. For details see section titled "KEY INDUSTRY REGULATIONS" beginning on Page no. 101 of this Draft Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

**3. Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse effects on our operations and financial performance.**

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

**4. Our 100% Revenue is not derived from India and a decrease in economic growth in respective countries could cause our business to suffer.**

We do not derive 100% of revenue from our operations in India and consequently, our performance and the quality and growth of our business are dependent on the health of the economy of respective countries from where we derive income. In addition, the Indian and exporting countries economy may be adversely affected by factors such as adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities or interest rates changes, which may also affect the microfinance industry. Any such factor may contribute to a decrease in economic growth in India which could adversely impact our business and financial performance.

**5. We are subject to risks arising from interest rate fluctuations, which could adversely impact our business, financial condition and operating results.**

Changes in interest rates could significantly affect our financial condition and results of operations. If the interest rates for future borrowings increase significantly, our cost of servicing such debt will increase. This may negatively impact our results of operations, planned capital expenditures and cash flows.

**6. The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.**

Prior to this Issue, there has been no public market for our Equity Shares. Our Company and the Lead Manager appointed Designated Market maker for the equity shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments.

**7. Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse impact on our business, financial condition and results of operations.**

Taxes and other levies imposed by the Central or State Governments in India that impact our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. There can be no assurance that these tax rates/slab will continue in the future. Further, with the Introduction of the Goods and Services Act, tax rates and its implication may have material impact on our products. Any changes in these tax rates/slabs could adversely affect our financial condition and results of operations.

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

The Issue Price of our Equity Shares is ₹ 40. This price is be based on numerous factors (For further information, please refer chapter titled "BASIS FOR ISSUE PRICE" beginning on Page no. 70 of this Draft Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation the following;

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

**9. You will not be able to sell immediately on Indian Stock Exchanges any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.**

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading on stock exchange. We 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 time periods specified in this Draft Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

**10. There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the Emerge Platform of National Stock Exchange of India Limited in a timely manner, or at all.**

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

**11. The COVID-19 pandemic, or any future pandemic or widespread public health emergency, could materially and adversely impact our business, financial condition, cash flows and results of operations.**

Since first being reported in December 2019, the outbreak of COVID-19 has spread globally. The World Health Organization declared the outbreak of COVID-19 to be a public health emergency of international concern on January 30, 2020, and a global pandemic on March 11, 2020.
The COVID-19 pandemic has had, and any future pandemic or widespread public health emergency could have, repercussions across regional and global economies and financial markets. The outbreak of COVID-19 in many countries, including India has significantly and adversely impacted economic activity and has contributed to significant volatility and negative pressure in financial markets, and it is possible that the outbreak of COVID-19 will cause a prolonged global economic crisis, recession or depression, despite monetary and fiscal interventions by governments and central banks globally.

The global impact of the outbreak has been rapidly evolving. As cases of COVID-19 have continued to be identified in additional countries, many jurisdictions, including the governments of India, have reacted by instituting restrictive measures including invoking lock downs and quarantines, requiring the closure of non-essential businesses and placing restrictions on the types of businesses that may continue to operate, mandating restrictions on travel, implementing "shelter-in-place" rules and "stay-at-home" orders, and enforcing remote working regulations. No prediction can be made of when any of the restrictions currently in place will be relaxed or expire, or whether or when further restrictions will be announced. Although some governments are beginning to ease or lift these restrictions, the impacts from the severe disruptions caused by the effective shutdown of large segments of the global economy or localized lockdowns remain unknown.

On March 24, 2020, the Government of India ordered a national lockdown in response to the spread of COVID-19. Our business was determined to be operating in an essential industry, which allowed us to continue our operations subsequent to the introduction of the lockdown in India, subject to certain adjustments in working patterns.

There can be no assurance that there will not be any material impact on our operations if the outbreak of COVID-19 is not effectively controlled. Although some restrictions have been eased, it is not yet clear when the lockdown conditions will be fully lifted in India. Further, although we were declared an essential business and were able to adjust our business to continue operating during the lockdown, there can be no assurance that further restrictions will not be introduced or that we will continue to retain such essential status. Further, we may be required to quarantine employees that are suspected of being infected of COVID-19, as well as others that have come into contact with those employees or shut down our manufacturing facilities as a health measure, which could have an adverse effect on our business operations or result in a delay in the production and supply of products to our customers in a timely manner. If any of our suppliers are affected by COVID-19 to the extent our supply chain is disrupted, this may affect our ability to meet the demand of our customers.

The full extent to which the COVID-19 pandemic, or any future pandemic or widespread public health emergency impacts our business, operations and financial results will depend on numerous evolving factors that we may not be able to accurately predict, including the scope, severity, and duration of the pandemic; actions taken by governments, business and individuals in response to the pandemic; the effect on customer demand for and ability to pay for our products; the disruptions or restrictions on our employees' and suppliers' ability to work and travel; volatility in foreign exchange rates; any extended period of remote work arrangements; and strain on our or our customers' business continuity plans, and resultant operational risk.

The COVID-19 pandemic, or any future pandemic or widespread public health emergency could therefore materially and adversely impact our business, financial condition, cash flows and results of operations.

## SECTION IV – INTRODUCTION

### THE ISSUE

Present Issue in terms of this Draft Prospectus:

| Particulars | Details |
|---|---|
| Equity Shares offered | 19,98,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 40 each aggregating to ₹ 799.20 Lakh |
| | |
| **Of which**: | |
| | |
| Reserved for Market Makers | 1,02,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 40 each aggregating to ₹ 40.80 Lakh |
| Net Issue to the Public* | 18,96,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 40 each aggregating to ₹ 758.40 Lakh |
| | |
| Of which | |
| | |
| Retail Portion | 9,48,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 40/- each aggregating to ₹ 379.20 Lakh |
| Non Retail Portion | 9,48,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹40/- each aggregating to ₹ 379.20 Lakh |
| | |
| Equity Shares outstanding prior to the Issue | 55,10,000 Equity Shares of ₹ 10/- each |
| Equity Shares outstanding after the Issue | 7,508,000 Equity Shares of ₹ 10/- each |
| Use of Proceeds | For details please refer chapter titled "OBJECTS OF THE ISSUE" beginning on Page no. 61 of this draft Prospectus for information on use of Issue Proceeds. |

* Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253(2) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows;

(a) minimum fifty per cent. to retail individual investors; and

(b) remaining to:

i) individual applicants other than retail individual investors; and

ii) other investors including corporate bodies or institutions, irrespective of the number of Equity Shares applied for;

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

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

**NOTES**

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

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on February 01, 2021 and by the shareholders of our Company, pursuant to section 62(1)(c) of the Companies Act, 2013, vide a special resolution passed at the EoGM held on March 01, 2021.

## SUMMARY OF FINANCIAL INFORMATION

### ANNEXURE – A : RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

**(Rs. in Lakhs)**

| Sr. No. | Particulars | Note No. | As at 31st March | |
|---|---|---|---|---|
| | | | 2021 | 2020 |
| **A.** | **Equity and Liabilities** | | | |
| **1** | **Shareholders' Funds** | | | |
| | Share Capital | **A.1** | 275.50 | 205.00 |
| | Reserves & Surplus | **A.2** | 534.70 | 122.18 |
| | Minority Interest | **A.3** | 85.97 | 153.85 |
| **2** | **Non-Current Liabilities** | | | |
| | Long-Term Borrowings | **A.4** | 356.77 | 529.41 |
| | Deferred Tax Liabilities (Net) | **A.5** | 14.37 | 10.19 |
| **3** | **Current Liabilities** | | | |
| | Short Term Borrowings | **A.6** | 311.99 | - |
| | Trade Payables : | **A.7** | | |
| | (A) total outstanding dues of micro enterprises and small enterprises; and | | | |
| | (B) Total outstanding dues of creditors other than micro enterprises and small enterprises.".] | | 988.18 | 733.54 |
| | Other Current Liabilities | **A.8** | 201.57 | 150.04 |
| | Short Term Provisions | **A.9** | 9.28 | - |
| | **Total** | | **2,778.33** | **1,906.05** |
| **B.** | **Assets** | | | |
| **1** | **Non-Current Assets** | | | |
| | Property, Plant and Equipment | | | |
| | Tangible Assets | **A.10** | 1050.60 | 520.38 |
| | Intangible Assets | | 1.28 | 1.34 |
| | Capital Work in Progress | | - | 455.25 |
| | Long Term Loans & Advances | **A.11** | 24.13 | 24.06 |
| | Long Term Trade Receivables | **A.12** | 9.89 | - |
| | | | | |
| **2** | **Current Assets** | | | |
| | Inventories | **A.13** | 726.74 | 281.73 |
| | Trade Receivables | **A.14** | 682.29 | 507.78 |
| | Cash and Cash Equivalents | **A.15** | 149.08 | 29.54 |
| | Short-Term Loans and Advances | **A.16** | 119.45 | 80.27 |
| | Other Current Assets | **A.17** | 14.89 | 5.71 |
| | **Total** | | **2,778.33** | **1,906.05** |

**Note :** The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Profit and Loss Account and cash flows appearing in Annexure D,B& C.

## ANNEXURE – B : RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

**(Rs. in Lakhs)**

| Sr. No | Particulars | Note No. | For The Year Ended 31st March | |
|---|---|---|---|---|
| | | | 2021 | 2020 |
| **A.** | **Revenue:** | | | |
| | Revenue from Operations | **B.1** | 6,483.89 | 4511.24 |
| | Other income | **B.2** | 11.9 | 43.79 |
| | **Total revenue** | | **6495.79** | **4555.03** |
| **B.** | **Expenses:** | | | |
| | Cost of Raw Material Consumed | **B.3** | 5,247.06 | 3649.10 |
| | Changes in Inventories of FG & WIP | **B.4** | -21.49 | -29.33 |
| | Employees Benefit Expenses | **B.5** | 241.00 | 199.58 |
| | Finance costs | **B.6** | 70.79 | 55.39 |
| | Depreciation and Amortization | **B.7** | 53.30 | 34.90 |
| | Other expenses | **B.8** | 601.13 | 438.41 |
| | **Total Expenses** | | **6191.78** | **4348.05** |
| | **Profit before exceptional and extraordinary items and tax** | | **304.01** | **206.97** |
| | Exceptional Items | | | **-** |
| | **Profit before extraordinary items and tax** | | **304.01** | **206.97** |
| | Extraordinary items | | | - |
| | **Profit before tax** | | **304.01** | **206.97** |
| | **Tax expense :** | | | |
| | Current tax | | 55.97 | 47.27 |
| | Deferred Tax | **B.9** | 4.18 | 10.19 |
| | Tax Provision for previous year | | 1.83 | |
| | Profit (Loss) for the period from continuing operations | | **243.86** | **149.51** |
| | **Earning per equity share in Rs.:** | | | |
| | (1) Basic | | 5.91 | 4.22 |
| | (2) Diluted | | 5.91 | 4.22 |

**Note :** The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities and cash flows appearing in Annexure D,A& C.

## ANNEXURE – C: RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS

**(Rs. in Lakhs)**

| Particulars | For The Year Ended 31st March | |
|---|---|---|
| **A. CASH FLOW FROM OPERATING ACTIVITIES** | **2021** | **2020** |
| Profit/ (Loss) before tax | **304.01** | **206.97** |
| Adjustments for: | | |
| Depreciation | 53.30 | 34.90 |
| Interest Income | (0.91) | (0.37) |
| Interest Expense | 70.79 | 55.39 |
| **Operating profit before working capital changes** | **427.19** | **296.89** |
| Movements in working capital : | | |
| Increase/(Decrease) in trade payables | 254.64 | 645.34 |
| Increase/(Decrease) in other current liabilities | (39.30) | 133.65 |
| (Increase)/Decrease in inventories | (445.04) | (202.97) |
| (Increase)/Decrease in trade receivables | (184.35) | (319.41) |
| Increase/(Decrease) in other long term liabilities | - | - |
| (Increase)/Decrease in short-term loans and advances | (39.18) | (35.78) |
| (Increase)/Decrease in other current assets | (2.12) | (5.33) |
| **Cash generated from operations** | **(28.17)** | **512.39** |
| Income tax paid during the year | (55.58) | 45.64 |
| **Net cash from operating activities (A)** | (83.76) | 466.75 |
| **B. CASH FLOW FROM INVESTING ACTIVITIES** | | |
| Sale/(Purchase) of Investments | | - |
| Purchase of Fixed Assets | (128.21) | (922.97) |
| Interest Received | 0.91 | 0.37 |
| Increase in Other Non-Current Assets/Loans & Advances | (0.07) | (24.06) |
| **Net cash from investing activities (B)** | **(127.36)** | **(946.66)** |
| **C. CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Interest paid on borrowings | (70.79) | (55.39) |
| Increase/(Decrease) in Short Term Borrowings | 311.99 | - |
| Change in Minority Interest | (110.73) | (54.03) |
| Proceeds/(Repayment) of Borrowings | (81.81) | 409.23 |
| Proceeds from Issue of Share Capital | - | 200.00 |
| Net Proceeds From Right Issue | 282.00 | |
| **Net cash from financing activities (C)** | **330.65** | **499.83** |
| **Net increase in cash and cash equivalents (A+B+C)** | **119.54** | **19.91** |
| **Cash and cash equivalents at the beginning of the year** | **29.54** | **5.00** |
| **Cash and cash equivalents of firm acquired during the year** | **-** | **4.63** |
| **Cash and cash equivalents at the end of the year** | **149.08** | **29.54** |

**Note :** The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities and cash flows appearing in Annexure D,A& B.

## ANNEXURE – A: RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

**(Rs. in Lakhs)**

| Sr. No. | Particulars | Note No. | As at 31st March | | |
|---|---|---|---|---|---|
| | | | 2021 | 2020 | 2019 |
| **A.** | **Equity and Liabilities** | | | | |
| **1** | **Shareholders' Funds** | | | | |
| | Share Capital | **A.1** | 275.5 | 205.00 | 5.00 |
| | Reserves & Surplus | **A.2** | 534.70 | 124.03 | - |
| | **Subtotal** | | **810.20** | **329.03** | **5.00** |
| **2** | **Non-Current Liabilities** | | | | |
| | Long-Term Borrowings | **A.3** | 42.93 | 186.75 | - |
| | Deferred Tax Liabilities (Net) | **A.4** | 14.37 | 10.19 | - |
| | **Subtotal** | | **57.30** | **196.94** | **-** |
| **3** | **Current Liabilities** | | | | |
| | Short Term Borrowings | **A.5** | 127.79 | - | - |
| | Trade Payables : | **A.6** | | | |
| | (A) total outstanding dues of micro enterprises and small enterprises; and | | | | - |
| | (B) total outstanding dues of creditors other than micro enterprises and small enterprises.".] | | 728.87 | 613.39 | - |
| | Other Current Liabilities | **A.7** | 122.46 | 114.55 | 0.38 |
| | Short Term Provisions | **A.8** | 9.28 | - | - |
| | **Subtotal** | | **988.39** | **727.94** | **0.38** |
| | **Total** | | **1,855.89** | **1,253.91** | **5.38** |
| **B.** | **Assets** | | | | |
| **1** | **Non-Current Assets** | | | | |
| | Property, Plant and Equipment | | | | |
| | Tangible Assets | **A.9** | 361.83 | 358.11 | 0.00 |
| | Intangible Assets | | 1.28 | 1.34 | - |
| | Non-Current Investments | **A.10** | 312.87 | 210.44 | 0.00 |
| | Long Term Loans & Advances | **A.11** | 19.32 | 19.25 | - |
| | Long term Trade Receivables | **A.12** | 9.89 | - | - |
| | **Subtotal** | | **705.18** | **589.14** | **-** |
| **2** | **Current Assets** | | | | |
| | Inventories | **A.13** | 460.41 | 165.88 | - |
| | Trade Receivables | **A.14** | 487.85 | 414.49 | 0.00 |
| | Cash and Cash Equivalents | **A.15** | 91.00 | 27.54 | 5.00 |
| | Short-Term Loans and Advances | **A.16** | 97.08 | 51.53 | - |
| | Other Current Assets | **A.17** | 14.37 | 5.33 | 0.38 |
| | **Subtotal** | | **1,150.71** | **664.77** | **5.38** |
| | **Total** | | **1,855.89** | **1,253.91** | **5.38** |

**Note:** The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D, B & C.

## ANNEXURE – B: RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

**(Rs. in Lakhs)**

| Sr. No | Particulars | Note No. | For The Year Ended 31st March | | |
|---|---|---|---|---|---|
| | | | 2021 | 2020 | 2019 |
| **A.** | **Revenue:** | | | | |
| | Revenue from Operations | **B.1** | 4499.85 | 3297.39 | 0.00 |
| | Other income | **B.2** | 48.46 | 28.69 | 0.00 |
| | **Total revenue** | | **4548.32** | **3326.08** | **0.00** |
| **B.** | **Expenses:** | | | | |
| | Cost of Material Consumed | **B.3** | 3611.59 | 2610.87 | - |
| | Changes in Inventories of Finished Goods, Work In Progress and Stock in Trade | **B.4** | (21.49) | (29.33) | - |
| | Employees Benefit Expenses | **B.5** | 203.76 | 170.70 | - |
| | Finance costs | **B.6** | 26.66 | 32.19 | - |
| | Depreciation and Amortization | **B.7** | 29.63 | 22.88 | - |
| | Other expenses | **B.8** | 447.73 | 360.16 | - |
| | **Total Expenses** | | **4297.88** | **3167.47** | **-** |
| | **Profit before exceptional and extraordinary items and tax** | | **250.44** | **158.60** | **0.00** |
| | Exceptional Items | | **-** | **-** | **-** |
| | **Profit before extraordinary items and tax** | | **250.44** | **158.60** | **0.00** |
| | Extraordinary items | | - | - | **0.00** |
| | **Profit before tax** | | **250.44** | **158.60** | **0.00** |
| | **Tax expense :** | | | | |
| | Current tax | | 47.08 | 24.39 | - |
| | Deferred Tax | **B.9** | 4.18 | 10.19 | - |
| | Profit (Loss) for the period from continuing operations | | **199.18** | **124.03** | **-** |
| | **Earning per equity share in Rs.:** | | | | |
| | (1) Basic | | 4.83 | 3.50 | - |
| | (2) Diluted | | 4.83 | 3.50 | - |

**Note :** The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities and cash flows appearing in Annexure D,A&C.

## ANNEXURE – C: RESTATED STANDALONE STATEMENT OF CASH FLOWS

| Particulars | For The Year Ended 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| **A. CASH FLOW FROM OPERATING ACTIVITIES** | | | |
| Profit/ (Loss) before tax | **250.44** | **158.60** | **-** |
| Adjustments for: | | | |
| Depreciation | 29.63 | 22.88 | - |
| Interest Income | (0.91) | (0.25) | |
| Interest Expense | 26.66 | 32.19 | - |
| **Operating profit before working capital changes** | **305.81** | **213.42** | **-** |
| Movements in working capital : | | | |
| (Increase)/Decrease in Trade Receivables | (73.37) | (414.49) | - |
| (Increase)/Decrease in Loans & Advances | (45.54) | (51.34) | - |
| (Increase)/Decrease in Other Current Assets/ Non-Current Assets | (9.04) | (4.95) | (0.38) |
| (Increase)/Decrease in Inventories | (294.53) | (165.88) | |
| Increase/(Decrease) in Trade Payables | 115.48 | 613.39 | - |
| Increase/(Decrease) in Other Current Liabilities | 7.91 | 114.17 | 0.38 |
| Increase/(Decrease) in Long Term & Short Term Provisions | - | - | - |
| **Cash generated from operations** | **6.72** | **304.32** | **-** |
| Income tax paid during the year | 37.80 | 24.58 | - |
| **Net cash from operating activities (A)** | (31.08) | 279.74 | - |
| **B. CASH FLOW FROM INVESTING ACTIVITIES** | | | |
| Sale/(Purchase) of Investments | (102.43) | (210.44) | - |
| Purchase of Fixed Assets | (33.28) | (382.34) | - |
| Interest Received | 0.91 | 0.25 | |
| Increase in Other Non-Current Assets/Loans & Advances | (9.96) | (19.25) | - |
| **Net cash from investing activities (B)** | **(144.76)** | **(611.78)** | **-** |
| **C. CASH FLOW FROM FINANCING ACTIVITIES** | | | |
| Interest paid on borrowings | (26.66) | (32.19) | - |
| Increase/(Decrease) in Short Term Borrowings | 127.79 | - | - |
| Proceeds from Issue of Share Capital | 282.00 | 200.00 | 5.00 |
| Proceeds/(Repayment) of Borrowings | (143.82) | 186.75 | - |
| **Net cash from financing activities (C)** | **239.31** | **354.56** | **5.00** |
| **Net increase in cash and cash equivalents (A+B+C)** | **63.47** | **22.53** | **5.00** |
| **Cash and cash equivalents at the beginning of the year** | **27.54** | **5.00** | **-** |
| **Cash and cash equivalents at the end of the year** | **91.00** | **27.54** | **5.00** |

**Note :** The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities and profits and losses appearing in Annexure D,A&B.

## SECTION V – GENERAL INFORMATION

Our Company was incorporated as "D.K.Enterprises Global Hub Limited " at Panchkula, Haryana on February 26, 2019 under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by the Deputy Registrar Of Companies For and on behalf of the Jurisdictional Registrar of Companies Central Registration Centre. Later on, the name of our company was changed from "D.K.Enterprises Global Hub Limited" to "D.K. Enterprises Global Limited" and certificate to that effect was Registrar of Companies, RoC- Delhi on April 04, 2019.

### BRIEF INFORMATION ON COMPANY AND ISSUE

| Particulars | Details | | | |
|---|---|---|---|---|
| Name of Issuer | D.K. Enterprises Global Limited | | | |
| Registered Office | Plot No-235 Industrial Area Phase-2 Panchkula Haryana 134109 India;<br>**Telephone No.:** +91 172 259 1548; **Web site:** www.dkenterprises.co.in;<br>**E-Mail:** cs@dkenterprises.co.in; **Contact Person:** Ms. Amanpreet Kaur | | | |
| Date of Incorporation | February 26, 2019 | | | |
| Company Identification Number | U36999HR2019PLC078806 | | | |
| Company Registration Number | 078806 | | | |
| Company Category | Company Limited by Shares | | | |
| Registrar of Company | Delhi | | | |
| Address of the RoC | A) 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110019;<br>**E Mail:** roc.delhi@mca.gov.in **Phone:** 011-26235703; **Fax No**: 011-26235702 | | | |
| Company Secretary and Compliance Officer | Ms. Amanpreet Kaur<br>**C/o.** D.K. Enterprises Global Limited<br>Plot No-235 Industrial Area Phase-2 Panchkula Haryana 134109 India;<br>**Telephone No.:** +91 172 259 1548; **Web site:** www.dkenterprises.co.in;<br>**E-Mail:** cs@dkenterprises.co.in; | | | |
| Designated Stock Exchange | EMERGE Platform of National Stock Exchange of India Limited<br>**Address:** Exchange Plaza, Plot no. C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai – 400051 | | | |
| Issue Programme | **Issue Opens On:** | [●] | **Issue Closes On:** | [●] |

**Note:**
Investors can contact the Company Secretary and Compliance officer in case of any pre issue or post issue related problems such as non-receipt of letter of allotment or credit of securities in depository's beneficiary account or dispatch of refund order etc.

All grievances relating to the ASBA process and UPI Process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted or Sponsor Bank, as the case may be. The Applicant should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, UPI ID (in case of RII's if applicable), date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the Investors shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries/SCSB in addition to the information mentioned hereinabove.

### BOARD OF DIRECTORS OF OUR COMPANY

Presently our Board of Directors comprises of following Directors.

| Sr. No. | Name of Directors | Designation | Address | DIN |
|---|---|---|---|---|
| 1. | Mr. Rakesh Kumar | Chairman Cum Managing Director | 1062, Sector-02 Panchkula, Panchkula Sector 8 Haryana, 134109 | 08374550 |
| 2. | Mrs. Rekha Bansal | Whole-Time Director | 1062, Sector-02 Panchkula, Panchkula Sector 8 Haryana, 134109 | 08374551 |
| 3. | Mr. Dhruv Rakesh | Executive Director | 1062, Sector -02, Panchkula, Panchkula Sector 8, Haryana, 134109 | 08374549 |
| 4. | Mr. Jeenendra Prakash Singhvi | Non-Executive Independent Director | #647 Sector 33 B Chandigarh - 160020 | 09027788 |

| Sr. No. | Name of Directors | Designation | Address | DIN |
|---|---|---|---|---|
| 5. | Mr. Khagesh Kaushal | Non-Executive Independent Director | #284 Kendriya Vihar, Sector 48 B Chandigarh-160047 | 09027797 |

For further details pertaining to the education qualification and experience of our Directors, please refer the chapter titled "OUR MANAGEMENT" beginning on Page no. 114 of this Draft Prospectus.

## DETAILS OF KEY MARKET INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

| LEAD MANAGER TO THE ISSUE | REGISTRAR TO THE ISSUE |
|---|---|
| **BEELINE BROKING LIMITED**<br>**SEBI Registration Number:** INM000012546<br>**Address:** 807, Phoenix Tower, Opp. New Girish Cold Drinks, Near Vijay Cross Roads, Navrangpura, Ahmedabad – 380 009<br>**Telephone Number:** +91 79 4840 5357<br>**Email Id:** mb@beelinemb.com, mb@beelinebroking.com<br>**Investors Grievance Id:** ig@beelinebroking.com<br>**Website:** www.beelinebroking.com<br>**Contact Person:** Mrs. Khushbu Shah<br>**CIN:** U51900GJ2014PLC080598 | **SKYLINE FINANCIAL SERVICES PRIVATE LIMITED**<br>**SEBI Registration Number:** INR000003241<br>**Address:** D-153/A, 1st Floor, Okhla Industrial Area Phase New Delhi - 110020, India<br>**Tel. No.:** +91 11-4045 0193-97;<br>**Email Id:** comnliances@skylinerta.com/ virenrlalskvlinerta.com<br>**Investors Grievance Id:** info@skylinerta.com<br>**Website:** www.skylinerta.com/<br>**Contact Person:** Ms. Sarita Singh<br>**CIN:** U74899DL1995PTC071324 |
| **STATUTORY & PEER REVIEW AUDITOR OF THE COMPANY** | **ADVISORY TO THE COMPANY** |
| **M/s. Deepak Jindal and Co. ,Chartered Accountants**<br>**Address:** SCO 2935-36, Level II, Sector 22C, Chandigarh- 160022<br>**Mobile No.:** +91 99886 50002<br>**Email:** cadeepakjindal@gmail.com<br>**Contact Person:** CA Deepak Jindal<br>**Membership Number:** 517148<br>**Firm Registration Number:** 023023N<br>**Peer Review Certificate Number:** -012493 | **Embee Financial Services Ltd**<br>**Address:** SCO 2935-36, Sector 22C, Level- 1 Chandigarh- 160022<br>**Contact Person:** CA Apurv Bansal<br>**Mobile No.:** +91 98881 33556<br>**Email:** apurv.bansal@embeegroup.in<br>**Website:** www.embeegroup.in |
| **BANKERS TO THE COMPANY** | **LEGAL ADVISOR TO THE COMPANY** |
| **Name:** Canara Bank<br>**Address:** SCO 311-312, Sector 35B, Chandigarh-160022<br>**Phone No**.- 0172 2601 402<br>**M No**: +91 75089 13453<br>**Email Id:** cb1625@canarabank.com<br>**Website**: www.canarabank.com<br>**Contact Person:** Mr. Kamal Kant Sharma | **Name:** Mrs. Komal Abrol<br>**Address:** House No. 2242 Sector 27C Chandigarh, 160019<br>**M No**: +91 99886 29077<br>**Email:** abrol.komal29@gmail.com<br>**Contact Person:** Mrs. Komal Abrol<br>**Bar Council Reg. No.-** P/1396/2015 |
| **BANKERS TO THE ISSUE, REFUND BANKER AND SPONSOR BANK** | |
| [●] | |

## DESIGNATED INTERMEDIARIES

**Self-Certified Syndicate Banks**

The list of SCSBs, as updated till date, is available on website of Securities and Exchange Board of India at below link.

https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34
https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35

Investors are requested to refer the SEBI website for updated list of SCSBs and their designated branches.

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

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No.

SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Bidding 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.

**Investors Banks or Issuer Banks for UPI**

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on ***https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40*** . For details on Designated Branches of SCSBs collecting the Application Forms, please refer to the above mentioned SEBI link.

## BROKERS TO THE ISSUE

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

## REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS

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

## COLLECTING DEPOSITORY PARTICIPANTS

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

## STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Beeline Broking Limited is only Lead Manager to the issue, all the responsibility of the issue will be managed by them.

## CREDIT RATING

As this is an issue of Equity Shares, there is no credit rating for this Issue.

## IPO GRADING

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

## FILING OF DRAFT PROSPECTUS/ PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES

A soft copy of Draft Prospectus is being filed with SEBI. However, SEBI will not issue any observation on the offer document in term of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Further, a soft copy of the Prospectus along with due diligence certificate including additional confirmations shall be filed with SEBI. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in.

A copy of the Prospectus, along with the material contracts and documents referred elsewhere in the Prospectus, will be delivered to the RoC Office situated at A) 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110019.

## CHANGES IN AUDITORS

There has not been any changes in Auditors of the Company. The Statutory Audit of the company up to financial year 2021-22 was carried out by M/s Deepak Jindal & Co., Chartered Accountants, Chandigarh (FRN: 023023N) ,having address SCO 2935-36, Level-II, Sector 22-C, Chandigarh-160 022.

## TRUSTEES

As this is an issue of Equity Shares, the appointment of Trustees is not required.

## APPRAISAL AND MONITORING AGENCY

As per SEBI (ICDR) Regulations, 2018, appointment of monitoring agency is required only if Issue size exceeds ₹ 10,000 Lakh. Hence, our Company is not required to appoint a monitoring agency in relation to the issue. However, Audit Committee of our Company will be monitoring the utilization of the Issue Proceeds.

The object of the issue and deployment of funds are not appraised by any independent agency/bank/financial institution.

## UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement has been entered on March 15, 2021. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

| Details of the Underwriter | No. of shares underwritten | Amount Underwritten (₹ in Lakh) | % of the total Issue Size Underwritten |
|---|---|---|---|
| **BEELINE BROKING LIMITED**<br>**SEBI Registration Number:** INM000012546<br>**Address:** 807, Phoenix Tower, Opp. New Girish Cold Drinks, Near Vijay Cross Roads, Navrangpura, Ahmedabad – 380 009<br>**Tel Number:** +91 79 4840 5357<br>**Email Id:** mb@beelinemb.com, beelinebroking.com<br>**Investors Grievance Id:** ig@beelinebroking.com<br>**Website:** www.beelinebroking.com<br>**Contact Person:** Mrs. Khushbu Shah<br>**CIN:** U51900GJ2014PLC080598 | 1998000 | 799.20 | 100.00% |

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above mentioned Underwriter is sufficient to enable it to discharge its underwriting obligation in full. The abovementioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act and registered as brokers with the Stock Exchanges.

## DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Lead Manager have entered into an agreement dated March 15, 2021 with the following Market Maker to fulfil the obligations of Market Making:

**NIKUNJ STOCK BROKERS LIMITED**
**CIN**: U74899DL1994PLC060413; **SEBI Registration No.:** INZ000169335
**Address:** A-92, GF, Left Portion, Kalma Nagar, Delhi, North Delhi, 110007, India.
**Contact Person:** Mr. Pramod Kumar Sultania**; Tel Number:** +91 11 4703 0015; **Website:** www.nikunjonline.com
**E-mail:** info@nikunjonline.com

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

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

1) The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).

2) The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he/she sells his/her entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

3) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

4) After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% of Issue Size (Including the 56000 Equity Shares ought to be allotted under this Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 56000 Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.

5) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.

6) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

7) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. In case equilibrium price is not discovered the price band in the normal trading session shall be based on issue price.

8) The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.

9) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

10) The Market Maker(s) shall have the right to terminate said arrangement by giving a three months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).

    In case of termination of the Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

11) Risk containment measures and monitoring for Market Makers: Emerge Platform of NSE 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. NSE can impose any other margins as deemed necessary from time-to-time.

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

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

13) Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:

    i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.

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

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

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

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

## SECTION VI – CAPITAL STRUCTURE

The Equity Share Capital of our Company, before the issue and after giving effect to the issue, as on the date of filing of the Draft Prospectus, is set forth below:

(₹ in Lakh except per share amount)

| Sr. No. | Particulars | | Aggregate Nominal value | Aggregate value at issue price |
|---|---|---|---|---|
| 1. | **AUTHORIZED SHARE CAPITAL**<br>7510000 Equity Shares of face value of ₹10/- each | | 751.00 | - |
| 2. | **ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL BEFORE THE ISSUE**<br>5510000 Equity Shares of face value of ₹ 10/- each | | 551.00 | - |
| 3. | **PRESENT ISSUE IN TERMS OF THE DRAFT PROSPECTUS** | | | |
| | Issue of 1998000 Equity Shares of ₹ 10/- each at a price of ₹ 40/- per Equity Share. | | 199.80 | 799.20 |
| | **Which comprises** | | | |
| | 102000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 40/- per Equity Share reserved as Market Maker Portion | | 10.20 | 40.80 |
| | Net Issue to Public of 1896000 Equity Shares of ₹ 10/- each at an Issue Price of ₹40/- per Equity Share to the Public | | 189.60 | 758.40 |
| | **Net Issue* to Public consists of** | | | |
| | 948000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 40/- per Equity Share will be available for allocation for Investors investing amount up to ₹ 2.00 Lakh | | 94.80 | 379.20 |
| | 948000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 40/- per Equity Share will be available for allocation for Investors investing amount above ₹ 2.00 Lakh (Non Retail Portion) | | 94.80 | 379.20 |
| 4. | **PAID UP EQUITY CAPITAL AFTER THE ISSUE**<br>7508000 Equity Shares of ₹ 10/- each | | 750.80 | - |
| 5. | **SECURITIES PREMIUM ACCOUNT** | Before the Issue | | |
| | | After the Issue | | 599.40 |

* For detailed information on the Net Issue and its allocation various categories, please refer chapter titled "THE ISSUE" on Page no. 30 of this Draft Prospectus.

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on February 01, 2021, and by the shareholders of our Company vide a special resolution passed at the EoGM held on March 01, 2021.

### CLASS OF SHARES

The company has only one class of shares i.e. Equity shares of ₹ 10/- each only and all Equity Shares are ranked pari-passu in all respect. All Equity Shares issued are fully paid-up as on date of the Draft Prospectus.

Our Company has not issued any partly paid-up equity shares since its incorporation nor does it have any partly paid-up equity shares as on the date of the Draft Prospectus.

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

### NOTES TO THE CAPITAL STRUCTURE:

**1. Changes in the Authorized Share Capital of our Company:**

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

| Sr. No. | Particulars of Increase | Cumulative no. of Equity Shares | Cumulative Authorized Share Capital (₹ in Lakh) | Date of Meeting | Whether AGM/ EoGM |
|---|---|---|---|---|---|
| 1. | On incorporation | 50000 | 5.00 | N.A. | N.A. |
| 2. | Increased in authorized capital from ₹5.00 Lakh to ₹305.00 Lakh | 3050000 | 305.00 | May 14, 2019 | EoGM |

| Sr. No. | Particulars of Increase | Cumulative no. of Equity Shares | Cumulative Authorized Share Capital (₹ in Lakh) | Date of Meeting | Whether AGM/ EoGM |
|---|---|---|---|---|---|
| 3 | Increased in authorized capital from ₹305 Lakh to ₹750 Lakh | 7500000 | 750.00 | March 01,2020 | EoGM |
| 4 | Increased in authorized capital from ₹750 Lakh to ₹751 Lakh | 7510000 | 751.00 | April 24, 2021 | EoGM |

**2. History of Paid-up Share Capital:**

Our existing Paid-up Share Capital has been subscribed and allotted in the manner set forth below:

| Date of allotment | Nature of allotment | Number of equity shares Allotted | Face value (In ₹) | Issue price (In ₹) | Nature of consideration (Cash, other than Cash, Bonus) | Cumulative Number of Equity Shares | Cumulative Paid up share Capital (₹ in Lakh) | Cumulative Share Premium (In ₹) |
|---|---|---|---|---|---|---|---|---|
| February 2, 2019 (On Incorporation) | Subscription to Memorandum of Association [(1)] | 50000 | 10 | 10 | Cash | 50000 | 5.00 | - |
| June 23, 2019 | Preferential Issue (Consideration other than cash upon takeover of running business of DK ENTERPRISES, proprietorship) [(2)] | 2000000 | 10 | 10 | Other than Cash | 2050000 | 205.00 | - |
| March 26, 2021 | Right Issue[(3)] | 705000 | 10 | 40 | Cash | 2755000 | 275.50 | 211.50 |
| April 26, 2021 | Bonus Issue[(4)] | 27,55,000 | 10 | - | Bonus | 5510000 | 551.00 | 0.00 |

[(1)] The details of allotment of 50000 Fully Paid up Equity Shares made to the subscribers to the Memorandum of Associations, at par, are as follows:

| Sr. No. | Name of Allottee | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|---|---|---|---|---|
| 1. | Mr. Rakesh Kumar | 12425 | 10 | 10 |
| 2. | Mr. Dhruv Rakesh | 12425 | 10 | 10 |
| 3. | Mrs. Rekha Bansal | 12425 | 10 | 10 |
| 4. | Mr. Baljeet Singh | 100 | 10 | 10 |
| 5. | Mrs. Kanika Rakesh | 12425 | 10 | 10 |
| 6. | Mrs. Ishita Swami | 100 | 10 | 10 |
| 7. | Mr. Jatin Sawhney | 100 | 10 | 10 |
| | **Total** | **50000** | **10** | **10** |

[(2)] The details of allotment of 2000000 Fully Paid up Equity Shares made on June 23, 2019, for consideration other than cash upon takeover of running business of DK ENTERPRISES, proprietorship concern as follows.

| Sr. No. | Name of Allottee | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|---|---|---|---|---|
| 1. | Mrs. Rekha Bansal | 2000000 | 10 | 10 |
| | **Total** | **2000000** | **10** | **10** |

[(3)] The details of allotment of 705000 Fully Paid up Equity Shares made on March 26, 2021 on Right basis in the ratio of 11 equity shares for each 29 Equity shares held as on March 26 ,2021 having face value of ₹ 10/- each at a price of ₹40/- each (including premium of ₹ 30/-each) as follows.

| Sr. No. | Name of Allottee | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|---|---|---|---|---|
| 1. | Mr. Dhruv Rakesh | 202000 | 10 | 40 |
| 2. | Mr. Rakesh Kumar | 350000 | 10 | 40 |
| 3. | Mrs. Rekha Bansal | 150000 | 10 | 40 |
| 4. | Mr. Baljeet Singh | 1000 | 10 | 40 |
| 5. | Mrs. Ishita Swami | 1000 | 10 | 40 |
| 6. | Mr. Jatin Sawhney | 1000 | 10 | 40 |
| | | **705000** | **10** | **40** |

(4) The details of allotment of 27,55,000 Fully Paid up Bonus Equity Shares made on April 26, 2021 in the ratio of 1 equity share for each 1 Equity share held as on April 24 ,2021 , by capitalizing ₹ 2,75,50,000 out of balance lying in Securities and Premium and Profit and Loss Account under major head " Reserve and Surplus" as follows

| Sr. No. | Name of Allottee | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|---|---|---|---|---|
| 1. | Mr. Dhruv Rakesh | 2,26,750 | 10 | - |
| 2. | Mr. Rakesh Kumar | 3,62,425 | 10 | - |
| 3. | Mrs. Rekha Bansal | 21,62,425 | 10 | - |
| 4. | Mr. Baljeet Singh | 1100 | 10 | - |
| 5. | Mrs. Ishita Swami | 1100 | 10 | - |
| 6. | Mr. Jatin Sawhney | 1100 | 10 | - |
| 7. | Mrs. Bipasha Bharti | 100 | 10 | |
| | **Total** | **2755000** | **10** | |

**3.** Except allotment of 2000000 Fully Paid up Equity Shares made on May 23, 2019 for consideration other than cash upon takeover of running business of DK ENTERPRISES, proprietorship concern and issue of Bonus Issue.

**Equity Shares issued other than cash;**

| Sr. No. | Name of Allottee | Category of Allottee | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) | Reason for Issue | Benefit accrued to Company |
|---|---|---|---|---|---|---|---|
| 1. | Mrs. Rekha Bansal | Promoter | 2000000 | 10 | 10 | For acquisition of running business of Mrs. Rekha Bansal viz. D.K. Enterprises | Our Company acquired the running business along with manufacturing facilities located at Panchkula and Vadodara. |
| | **Total** | | **2000000** | **10** | **10** | **-** | **-** |

**Issue of Bonus Equity Shares;**

| Sr. No. | Name of Allottee | Category of Allottee | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) | Reason for Issue | Benefit accrued to Company |
|---|---|---|---|---|---|---|---|
| 1. | Mr. Dhruv Rakesh | Promoter | 2,26,750 | 10 | - | Bonus Allotment | To expand the Capital Base of the Company |
| 2. | Mr. Rakesh Kumar | Promoter | 3,62,425 | 10 | - | | |
| 3. | Mrs. Rekha Bansal | Promoter | 21,62,425 | 10 | - | | |
| 4. | Mr. Baljeet Singh | Public | 1100 | 10 | - | | |
| 5. | Mrs. Ishita Swami | Public | 1100 | 10 | - | | |
| 6. | Mr. Jatin Sawhney | Public | 1100 | 10 | - | | |
| 7. | Mrs. Bipasha Bharti | Promoter Group | 100 | 10 | - | | |
| | | **Total** | **27,55,000** | | - | - | - |

4. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 and Sections 230 to 234 of the Companies Act, 2013.

5. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

6. Our Company has not made allotment at price lower than the Issue Price during past one year from the date of the Draft Prospectus, details of which are as follows;

7. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

8. **Our shareholding pattern:**

The shareholding pattern of our Company before the issue as per Regulation 31 of the SEBI (LODR) Regulations, 2015 is given here below:

**Declaration**

| Sr. No. | Particular | Yes/No | Promoter and Promoter Group | Public shareholder | Non Promoter- Non Public |
|---|---|---|---|---|---|
| 1. | Whether the Company has issued any partly paid up shares? | No | No | No | No |
| 2. | Whether the Company has issued any Convertible Securities? | No | No | No | No |
| 3. | Whether the Company has issued any Warrants? | No | No | No | No |
| 4. | Whether the Company has any shares against which depository receipts are issued? | No | No | No | No |
| 5. | Whether the Company has any shares in locked-in?* | No | No | No | No |
| 6. | Whether any shares held by promoters are pledge or otherwise encumbered? | No | No | NA | NA |
| 7. | Whether company has equity shares with differential voting rights? | No | No | No | No |

* All Pre-IPO Equity Shares of our Company will be locked-in prior to listing of shares on Emerge Platform of NSE.

**(A). Table I - Summary Statement holding of specified securities**

| Sr. No. (I) | Category of shareholder (II) | Nos. Of shareholders (III) | No. of fully paid up equity shares held (IV) | No. Of Partly paid-up equity shares held (V) | No. Of shares underlying Depository Receipts (VI) | Total nos. shares held (VII) = (IV)+(V) + (VI) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities (IX) | | | No of shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2) | Number of Locked in shares (XII)* | | Number of shares pledged or otherwise encumbered (XIII) | | Number of equity shares held in dematerialized form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | No of Voting (XIV) Rights | | | | | | | | | |
| | | | | | | | | Class eg: X | Class eg:y | Total | Total as a % of (A+B+C) | | | No. (a) | As a % of total shares held (b) | No. (a) | As a % of total shares held (b) | |
| (A) | Promoter & Promoter Group | 4 | 5503400 | 0 | 0 | 5503400 | 99.88 | 5503400 | 0 | 5503400 | 99.88 | 0 | 99.88 | 0 | 0.00 | 0 | 0 | 5503400 |
| (B) | Public | 3 | 6600 | 0 | 0 | 6600 | 0.12 | 6600 | 0 | 6600 | 0.12 | 0 | 0.12 | 0 | 0.00 | N.A. | N.A. | 6600 |
| (C) | Non Promoter-Non Public | | | | | | | | | | | | | | | | | |
| (C1) | Shares underlying DRs | 0 | 0 | 0 | 0 | 0 | NA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 | N.A. | N.A. | 0 |
| (C2) | Shares held by Employee Trusts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 | N.A. | N.A. | 0 |
| | **Total** | **7** | **5510000** | **0** | **0** | **5510000** | **100.00** | **5510000** | **0** | **5510000** | **100.00** | **0** | **100.00** | **0** | **0.00** | **0** | **0** | **5510000** |
| **Note:** | | | | | | | | | | | | | | | | | | |
| * All Pre-IPO Equity Shares of our Company will be locked-in as mentioned above prior to listing of shares on Emerge Platform of NSE. | | | | | | | | | | | | | | | | | | |

**(B). Table II - Statement showing shareholding pattern of the Promoters and Promoters' Group**

| Sr. No. (I) | Category of shareholder (II) | Nos. Of shareholders (III) | No. of fully paid up equity shares held (IV) | No. Of Partly paid-up equity shares held (V) | No. Of shares underlying Depository Receipts (VI) | Total nos. shares held (VII) = (IV)+(V)+(VI) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities (IX) | | | | No of shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2) | Number of Locked in shares (XII)* | | Number of shares pledged or otherwise encumbered (XIII) | | Number of equity shares held in dematerialized form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | No of Voting (XIV) 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 eg: X | Class eg: y | Total | | | | | | | | |
| (1) | **Indian** | | | | | | | | | | | | | | | | | |
| (a) | Individuals/Hindu undivided Family | **4** | **5503400** | **0** | **0** | **5503400** | **99.88** | **5503400** | **0** | **5503400** | **99.88** | **0** | **99.88** | **0** | **0.00** | **0** | **0** | **5503400** |
| 1. | Mr. Rakesh Kumar | - | 724850 | 0 | 0 | 724850 | 13.16 | 724850 | 0 | 724850 | 13.16 | 0 | 13.16 | 0 | 0.00 | 0 | 0.00 | 724850 |
| 2. | Mrs. Rekha Bansal | - | 4324850 | 0 | 0 | 4324850 | 78.49 | 4324850 | 0 | 4324850 | 78.49 | 0 | 78.49 | 0 | 0.00 | 0 | 0.00 | 4324850 |
| 3. | Mr. Dhruv Rakesh | - | 453500 | 0 | 0 | 453500 | 8.23 | 453500 | 0 | 453500 | 8.23 | 0 | 8.23 | 0 | 0.00 | 0 | 0.00 | 453500 |
| 4. | Mrs. Bipasha Bharti | - | 200 | 0 | 0 | 200 | Negligible | 200 | 0 | 200 | Negligible | 0 | Negligible | 0 | 0.00 | 0 | 0.00 | 200 |
| (b) | Central Government/ State Government(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 |
| (c) | Financial Institutions/ Banks | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 |
| (d) | Any Other (specify) | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 |
| | **Sub-Total (A)(1)** | **4** | **5503400** | **0** | **0** | **5503400** | **99.88** | **5503400** | **0** | **5503400** | **99.88** | **0** | **99.88** | **0** | **0.00** | **0** | **0** | **5503400** |

| | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| (2) | Foreign | | | | | | | | | | | | | | | | | |
| (a) | Individuals (Non Resident Individuals/ Foreign Individuals) | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 |
| (b) | Government | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 |
| (c) | Institutions | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 |
| (d) | Foreign Portfolio Investor | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 |
| (e) | Any Other (specify) | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 |
| | **Sub-Total (A)(2)** | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 |
| | **Total Shareholding of Promoters and Promoters' Group (A)=(A)(1)+(A)(2)** | **4** | **5503400** | **0** | **0** | **5503400** | **99.88** | **5503400** | **0** | **5503400** | **99.88** | **0** | **99.88** | **0** | **0.00** | **0** | **0** | **5503400** |
| | **Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc. - N.A** | | | | | | | | | | | | | | | | | |
| **Note:** | | | | | | | | | | | | | | | | | | |
| | PAN of the Shareholders will be provided by our Company to the Stock Exchange but would not be displayed on website of Stock Exchange(s). | | | | | | | | | | | | | | | | | |
| | The term "Encumbrance" has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. | | | | | | | | | | | | | | | | | |
| * | All Pre-IPO Equity Shares of our Company will be locked-in as mentioned above prior to listing of shares on Emerge Platform of NSE. | | | | | | | | | | | | | | | | | |

**(C). Table III - Statement showing shareholding pattern of the Public shareholder**

| Sr. No. (I) | Category of shareholder (II) | Nos. Of shareholders (III) | No. of fully paid up equity shares held (IV) | No. Of Partly paid-up equity shares held (V) | No. Of shares underlying Depository Receipts (VI) | Total nos. shares held (VII) = (IV)+(V)+(VI) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities (IX) | | | | No of shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2) | Number of Locked in shares (XII)* | | Number of shares pledged or otherwise encumbered (XIII) | | Number of equity shares held in dematerialized form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | No of Voting (XIV) 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 eg: X | Class eg:y | Total | | | | | | | | |
| (1) | **Institutions** | | | | | | | | | | | | | | | | | |
| (a) | Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | N.A. | N.A. | 0 |
| (b) | Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | N.A. | N.A. | 0 |
| (c) | Alternate Investment Funds | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | N.A. | N.A. | 0 |
| (d) | Foreign Venture Capital Investors | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | N.A. | N.A. | 0 |
| (e) | Foreign Portfolio Investors | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | N.A. | N.A. | 0 |
| (f) | Financial Institutions/ Banks | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | N.A. | N.A. | 0 |
| (g) | Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | N.A. | N.A. | 0 |
| (h) | Provident Funds/ Pension Funds | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | N.A. | N.A. | 0 |
| (i) | Any Other (specify) | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | N.A. | N.A. | 0 |
| | **Sub-Total (B)(1)** | **0** | **0** | **0** | **0** | **0** | **0.00** | **0** | **0** | **0** | **0.00** | **0** | **0.00** | **0** | **0.00** | **N.A.** | **N.A.** | **0** |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| (2) | Central Government/ State Government(s)/ President of India | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | N.A. | N.A. | 0 |
| | **Sub-Total (B)(2)** | **0** | **0** | **0** | **0** | **0** | **0.00** | **0** | **0** | **0** | **0.00** | **0** | **0.00** | **0** | **0.00** | **N.A.** | **N.A.** | **0** |
| (3) | **Non-institutions** | | | | | | | | | | | | | | | | | |
| (a (i)) | Individuals - i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs. | 3 | 6600 | 0 | 0 | 6600 | 0.12 | 6600 | 0 | 6600 | 0.12 | 0 | 0.12 | 0 | 0.00 | N.A. | N.A. | 6600 |
| (a (ii)) | Individuals - ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs. | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | N.A. | N.A. | 0 |
| (b) | NBFCs registered with RBI | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | N.A. | N.A. | 0 |
| (c) | Employee Trusts | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | N.A. | N.A. | 0 |
| (d) | Overseas Depositories (holding DRs) (balancing figure) | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | N.A. | N.A. | 0 |
| (e) | Any Other (specify) | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | N.A. | N.A. | 0 |
| | **Sub-Total (B)(3)** | **3** | **6600** | **0** | **0** | **6600** | **0.12** | **6600** | **0** | **6600** | **0.12** | **0** | **0.12** | **0** | **0.00** | **N.A.** | **N.A.** | **6600** |
| | **Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)** | **3** | **6600** | **0** | **0** | **6600** | **0.12** | **6600** | **0** | **6600** | **0.12** | **0** | **0.12** | **0** | **0.00** | **N.A.** | **N.A.** | **6600** |
| | **Details of the shareholders acting as persons in Concert including their Shareholding (No. and %): - N.A** | | | | | | | | | | | | | | | | | |
| | **Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc. - N.A.** | | | | | | | | | | | | | | | | | |
| **Note:** | | | | | | | | | | | | | | | | | | |
| | PAN of the Shareholders will be provided by our Company to the Stock Exchange but would not be displayed on website of Stock Exchange(s). | | | | | | | | | | | | | | | | | |
| * | All Pre-IPO Equity Shares of our Company will be locked-in as mentioned above prior to listing of shares on Emerge Platform of NSE. | | | | | | | | | | | | | | | | | |

**(D). Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**

| Sr. No. (I) | Category of shareholder (II) | Nos. Of shareholders (III) | No. of fully paid up equity shares held (IV) | No. Of Partly paid-up equity shares held (V) | No. Of shares underlying Depository Receipts (VI) | Total nos. shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities (IX) | | | | No of shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2) | Number of Locked in shares (XII) | | Number of shares pledged or otherwise encumbered (XIII) | | Number of equity shares held in dematerialized form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | No of Voting (XIV) 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 eg: X | Class eg:y | Total | | | | | | | | |
| (1) | Custodian/DR Holder - Name of DR Holders (If Available) | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | N.A. | N.A. | 0 |
| (2) | Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014) | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | N.A. | N.A. | 0 |
| | **Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)** | **0** | **0** | **0** | **0** | **0** | **0.00** | **0** | **0** | **0** | **0.00** | **0.00** | **0.00** | **0** | **0.00** | **N.A.** | **N.A.** | **0.00** |

Our Company will file shareholding pattern of our Company in the format prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity Shares. The Shareholding pattern will be uploaded on the website of BSE before commencement of trading of such equity shares.

**9.** The shareholding pattern of our Promoters and Promoters' Group and public before and after the Issue:

| Sr. No. | Name of shareholders | Pre issue | | Post issue | |
|---|---|---|---|---|---|
| | | No. of equity shares | As a % of Issued Capital* | No. of equity shares | As a % of Issued Capital* |
| **Promoters** | | | | | |
| 1. | Mr. Rakesh Kumar | 724850 | 13.16 | 724850 | 9.65 |
| 2. | Mrs. Rekha Bansal | 4324850 | 78.49 | 4324850 | 57.60 |
| 3. | Mr. Dhruv Rakesh | 453500 | 8.23 | 453500 | 6.04 |
| | **Total - A** | **5503200** | **99.88** | **5503200** | **73.30** |
| Promoters' Group | | | | | |
| 1. | Mrs. Bipasha Bharti | 200 | Negligible | 200 | Negligible |
| | **Total - B** | **200** | **Negligible** | **200** | **Negligible** |
| | **Total Promoters and Promoters' Group (A+B)** | **5503400** | **99.88** | **5503400** | **73.30** |
| **Public** | | | | | |
| 1 | Pre Ipo | 6600 | 0.12 | 6600 | 0.09 |
| | **Total-C** | **6600** | **0.12** | **6600** | **0.09** |
| 2 | **Initial Public Offer - Public** | - | - | 1998000 | 26.61 |
| | **Total-D** | **-** | **-** | 1998000 | 26.61 |
| | **Total Public (C+D)** | **6600** | **0.12** | 2004600 | 26.70 |
| | **Grand Total (A+B+C+D)** | **5510000** | **100.00** | **7508000** | **100.00** |

* Rounded off

**10. Details of Major Shareholders:**

**(A) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of the Draft Prospectus:**

| Sr. No. | Name of shareholders | No. of Equity Shares held* | % of Paid up Capital# |
|---|---|---|---|
| 1. | Mr. Rakesh Kumar | 724850 | 13.16 |
| 2. | Mrs. Rekha Bansal | 4324850 | 78.49 |
| 3. | Mr. Dhruv Rakesh | 453500 | 8.23 |
| | Total | **5503200** | **99.88** |

* The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Draft Prospectus.
# the % has been calculated based on existing (pre-issue) Paid up Capital of the Company.

**(B) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date two years prior to the date of the Draft Prospectus:**

| Sr. No. | Name of shareholders | No. of Equity Shares held* | % of Paid up Capital# |
|---|---|---|---|
| 1. | Mrs. Rekha Bansal | 2012425 | 98.17 |
| | Total | **2012425** | 98.17 |

* The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Draft Prospectus.
# the % has been calculated based on the then existing Paid up Capital of the Company.

**(C) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date one year prior to the date of the Draft Prospectus:**

| Sr. No. | Name of shareholders | No. of Equity Shares held* | % of Paid up Capital# |
|---|---|---|---|
| 1. | Mrs. Rekha Bansal | 2012425 | 98.17 |
| | Total | **2012425** | 98.17 |

* The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Draft Prospectus.
# the % has been calculated based on the then existing Paid up Capital of the Company.

**(D) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date ten days prior to the date of the Draft Prospectus:**

| Sr. No. | Name of shareholders | No. of Equity Shares held* | % of Paid up Capital# |
|---|---|---|---|
| 1. | Mr. Rakesh Kumar | 724850 | 13.16 |
| 2. | Mrs. Rekha Bansal | 4324850 | 78.49 |
| 3. | Mr. Dhruv Rakesh | 453500 | 8.23 |
| **Total** | | **5503200** | **99.88** |

* The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Draft Prospectus.
# the % has been calculated based on existing (pre-issue) Paid up Capital of the Company.

**11.** There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Draft Prospectus until the Equity Shares of our Company have been listed or refund of application monies in pursuance of the Draft Prospectus.

As on the date of filing the Draft offer document, our company does not have any such plan for altering the capital structure by way of split or consolidation of the denomination of the shares, or issue of specified securities on a preferential basis or issue of bonus or rights or further public issue of specified securities or qualified institutions placement. Further, our Company may alter its capital structure by way of split / consolidation of the denomination of Equity Shares or issue of equity shares on a preferential basis or issue of bonus or rights or further public issue of equity shares or qualified institutions placement, within a period of six months from the date of opening of the present issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or for any other purpose, as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

**12. Shareholding of the Promoters of our Company:**

As on the date of the Draft Prospectus, our Promoters – Mr. Rakesh Kumar, Mrs. Rekha Bansal and Mr. Dhruv Rakesh hold total 5503200 Equity Shares representing 99.88 of the pre-issue paid up equity share capital of our Company. The build-up of equity shareholding of Promoters of our Company are as follows:

**MR. RAKESH KUMAR**

| Date of Allotment / Transfer | Nature of Issue Allotment / Transfer | Number of Equity shares | Cumulative No. of Equity Shares | Face Value (in ₹) per share | Issue/ Transfer Price (in ₹) per share | Total Consideration Paid (in ₹) | % of Pre Issue Capital | % of Post Issue Capital |
|---|---|---|---|---|---|---|---|---|
| February 26, 2019 (On Incorporation) | Subscription to Memorandum | 12425 | 12425 | 10.00 | 10.00 | 124250 | 0.23 | 0.17 |
| March 26, 2021 | Allotment (Right Issue) | 350000 | 362425 | 10.00 | 40.00 | 14000000 | 6.35 | 4.66 |
| April 26, 2021 | Allotment (Bonus Issue) | 362425 | 724850 | 10.00 | - | - | 6.58 | 4.83 |
| | **Total** | **724850** | | | | **14124250** | **13.16** | **9.65** |

**MRS. REKHA BANSAL**

| Date of Allotment / Transfer | Nature of Issue Allotment / Transfer | Number of Equity shares | Cumulative No. of Equity Shares | Face Value (in ₹) per share | Issue/ Transfer Price (in ₹) per share | Total Consideration Paid (in ₹) | % of Pre Issue Capital | % of Post Issue Capital |
|---|---|---|---|---|---|---|---|---|
| February 26, 2019 (On Incorporation) | Subscription to Memorandum | 12425 | 12425 | 10.00 | 10.00 | 124250 | 0.23 | 0.17 |
| June 23, 2019 | Allotment (Private Placement) | 2000000 | 2012425 | 10.00 | 10.00 | 20,000,000 | 36.30 | 26.64 |

| MRS. REKHA BANSAL | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Date of Allotment / Transfer | Nature of Issue Allotment / Transfer | Number of Equity shares | Cumulative No. of Equity Shares | Face Value (in ₹) per share | Issue/ Transfer Price (in ₹) per share | Total Consideration Paid (in ₹) | % of Pre Issue Capital | % of Post Issue Capital |
| | (Other than Cash) | | | | | | | |
| March 26, 2021 | Allotment (Right Issue) | 150000 | 2162425 | 10.00 | 40.00 | 6000000 | 2.72 | 2.00 |
| April 26, 2021 | Allotment (Bonus Issue) | 2000000 | 4162425 | 10.00 | 0.00 | 0.00 | 36.30 | 26.64 |
| April 26, 2021 | Allotment (Bonus Issue) | 162425 | 4324850 | 10.00 | 0.00 | 0.00 | 2.95 | 2.16 |
| | **Total** | **4324850** | | | | **26124250** | **78.49** | **57.60** |

| MR. DHRUV RAKESH | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Date of Allotment / Transfer | Nature of Issue Allotment / Transfer | Number of Equity shares | Cumulative No. of Equity Shares | Face Value (in ₹) per share | Issue/ Transfer Price (in ₹) per share | Total Consideration Paid (in ₹) | % of Pre Issue Capital | Date upto which Shares are subject to lock in |
| February 26, 2019 (On Incorporation) | Subscription to Memorandum | 12425 | 12425 | 10.00 | 10.00 | 124250 | 0.23 | 0.17 |
| March 26, 2021 | Allotment (Right Issue) | 202000 | 214425 | 10.00 | 40.00 | 8080000 | 3.67 | 2.69 |
| April 23, 2021 | Transfer (Acquisition) | 12325 | 226750 | 10.00 | 40.00 | 493000 | 0.22 | 0.16 |
| April 26, 2021 | Allotment (Bonus Issue) | 226750 | 453500 | 10.00 | - | - | 4.12 | 3.02 |
| | **Total** | **453500** | | | | **8697250** | **8.23** | **6.04** |

All the Equity Shares allotted and held by our Promoters were fully paid at the time of allotment itself. Further, none of the Equity Shares held by our Promoters are subject to any pledge.

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

| Sr. No. | Name of Promoters | No. of Equity Shares held | Average Cost of Acquisition per equity share (in ₹) |
|---|---|---|---|
| 1. | Mr. Rakesh Kumar | 724850 | 19.49 |
| 2. | Mrs. Rekha Bansal | 4324850 | 6.04 |
| 3. | Mr. Dhruv Rakesh | 453500 | 19.18 |

The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date of the Draft Prospectus.

**14.** We have 7 (Seven) shareholders as on the date of filing of the Draft Prospectus.

**15.** As on the date of the Draft Prospectus, our Promoters and Promoters' Group hold total 5503400 Equity Shares representing 99.88% of the pre-issue paid up share capital of our Company.

**16.** our shareholders belonging to Promoters and Promoters' Group, Directors and their relatives have purchased or sold following Equity Shares of our Company during the past six months immediately preceding the date of filing the Draft Prospectus:

The details of allotment of 705000 Fully Paid up Equity Shares made on March 26, 2021 on Right basis in the ratio of 11 equity shares for each 29 Equity shares held as on March 26 ,2021 having face value of ₹ 10/- each at a price of ₹40/- each (including premium of ₹ 30/-each) as follows.

| Sr. No. | Name of Allottee | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|---|---|---|---|---|
| 1. | Mr. Dhruv Rakesh | 202000 | 10 | 40 |
| 2. | Mr. Rakesh Kumar | 350000 | 10 | 40 |
| 3. | Mrs. Rekha Bansal | 150000 | 10 | 40 |

Transfer of 12425 equity shares by Mrs. Kanika Rakesh (Person Forming Part of Promoter Group) to Mr. Dhruv Rakesh and Mrs. Bipasha Bharti

| Sr. No. | Name of Allottee | No. of Equity Acquired | Face Value per share (in ₹) | Transfer Price (in ₹) |
|---|---|---|---|---|
| 1. | Mr. Dhruv Rakesh | 12325 | 10 | 40 |
| 2. | Mrs. Bipasha Bharti | 100 | 10 | 40 |
| **Total** | | **12425** | **10** | **40** |

The details of allotment of 27,55,000 Fully Paid up Bonus Equity Shares made on April 26, 2021 in the ratio of 1 equity share for each 1 Equity share held as on April 24 ,2021 , by capitalizing ₹ 2,75,50,000 out of balance lying in Securities and Premium and Profit and Loss Account under major head " Reserve and Surplus" as follows

| Sr. No. | Name of Allottee | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|---|---|---|---|---|
| 1. | Mr. Dhruv Rakesh | 2,26,750 | 10 | - |
| 2. | Mr. Rakesh Kumar | 3,62,425 | 10 | - |
| 3. | Mrs. Rekha Bansal | 21,62,425 | 10 | - |
| 4. | Mr. Baljeet Singh | 1100 | 10 | - |
| 5. | Mrs. Ishita Swami | 1100 | 10 | - |
| 6. | Mr. Jatin Sawhney | 1100 | 10 | - |
| 7. | Mrs. Bipasha Bharti | 100 | 10 | |
| **Total** | | **2755000** | **10** | **-** |

**17.** The members of the Promoters' Group, our Directors and the relatives of our Directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months immediately preceding the date of filing the Draft Prospectus.

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

Our Promoters have given written consent to include 1502000 Equity Shares subscribed and held by them as a part of Minimum Promoters' Contribution constituting 20.01% of the post issue Paid-up Equity Shares Capital of our Company ("Minimum Promoters' contribution") in terms of Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018 and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Minimum Promoters' Contribution, and to be marked Minimum Promoters' Contribution as locked-in.

In terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, Minimum Promoters' Contribution as mentioned above shall be locked-in for a period of three years from the date of commencement of commercial production or date of allotment in the Initial Public Offer, whichever is later.

***Explanation:*** *The expression "date of commencement of commercial production" means the last date of the month in which commercial production of the project in respect of which the funds raised are proposed to be utilised as stated in the offer document, is expected to commence.*

We further confirm that Minimum Promoters' Contribution of 20.00% of the post Issue Paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

The Minimum Promoters' Contribution has been brought into to the extent of not less than the 20.00% of the Post Issue Capital and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018.

The lock-in of the Minimum Promoters' Contribution will be created as per applicable regulations and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

The details Minimum Promoters' Contribution are as follows:

| MR. RAKESH KUMAR | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Date of Allotment / Transfer | Nature of Issue Allotment / Transfer | Number of Equity shares | Cumulative No. of Equity Shares | Face Value (in ₹) per share | Issue/ Transfer Price (in ₹) per share | Source of Contribution* | % of Pre /Issue Capital | % of Post Issue Capital | Date upto which Shares are subject to lock in |
| February 26, 2019 (On Incorporation) | Subscription to Memorandum | 12425 | 12425 | 10.00 | 10.00 | Own Contribution | 0.23 | 0.17 | 3 Years& |
| March 26, 2021 | Allotment (Right Issue) | 350000 | 362425 | 10.00 | 40.00 | Own Contribution | 6.35 | 4.66 | |
| April 26, 2021 | Allotment (Bonus Issue) | 362425 | 724850 | 10.00 | - | NA | 6.58 | 4.83 | |
| | **Total** | **724850** | | | | | **13.16** | **9.65** | |

| MRS. REKHA BANSAL | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Date of Allotment / Transfer | Nature of Issue Allotment / Transfer | Number of Equity shares | Cumulative No. of Equity Shares | Face Value (in ₹) per share | Issue/ Transfer Price (in ₹) per share | Source of Contribution* | % of Pre Issue Capital | % of Post Issue Capital | Date upto which Shares are subject to lock in |
| February 26, 2019 (On Incorporation) | Subscription to Memorandum | 12425 | 12425 | 10.00 | 10.00 | Own Contribution | 0.23 | 0.17 | 3 Years& |
| June 23, 2019 | Allotment (Private Placement) (Other than Cash) | 2000000 | 2012425 | 10.00 | 10.00 | NA | 36.30 | 26.64 | 1Year |
| March 26, 2021 | Allotment (Right Issue) | 150000 | 2162425 | 10.00 | 40.00 | Own Contribution | 2.72 | 2.00 | 3 Years& |
| April 26, 2021 | Allotment (Bonus Issue) | 2000000 | 4162425 | 10.00 | 0.00 | NA | 36.30 | 26.64 | 1Year |
| April 26, 2021 | Allotment (Bonus Issue) | 162425 | 4324850 | 10.00 | 0.00 | NA | 2.95 | 2.16 | 3 Years& |
| | **Total** | **4324850** | | | | **26124250** | **78.49** | **57.60** | |

| MR. DHRUV RAKESH | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Date of Allotment / Transfer | Nature of Issue Allotment / Transfer | Number of Equity shares | Cumulative No. of Equity Shares | Face Value (in ₹) per share | Issue/ Transfer Price (in ₹) per share | Source of Contribution* | % of Pre Issue Capital | % of Post Issue Capital | Date upto which Shares are subject to lock in |
| February 26, 2019 (On Incorporation) | Subscription to Memorandum | 12425 | 12425 | 10.00 | 10.00 | Own Contribution | 0.23 | 0.17 | 3 Years& |
| March 26, 2021 | Allotment (Right Issue) | 202000 | 214425 | 10.00 | 40.00 | Own Contribution | 3.67 | 2.69 | |

| MR. DHRUV RAKESH | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Date of Allotment / Transfer | Nature of Issue Allotment / Transfer | Number of Equity shares | Cumulative No. of Equity Shares | Face Value (in ₹) per share | Issue/ Transfer Price (in ₹) per share | Source of Contribution* | % of Pre Issue Capital | % of Post Issue Capital | Date upto which Shares are subject to lock in |
| April 23, 2021 | Transfer (Acquisition) | 12325 | 226750 | 10.00 | 40.00 | Own Contribution | 0.22 | 0.16 | |
| April 26, 2021 | Allotment (Bonus Issue) | 226750 | 453500 | 10.00 | - | NA | 4.12 | 3.02 | |
| | **Total** | **453500** | | | | **8697250** | **8.23** | **6.04** | |

** The Source of Contribution as certified by M/s. Deepak Jindal and Co., Chartered Account vide their certificate dated August 03, 2021 vide UDIN: 21514746AAAABG1962.*

[&] Three (3) Years from the date of commencement of commercial production or date of allotment in Initial Public Offer whichever is later.

All the Equity Shares allotted and held by our Promoters were fully paid at the time of allotment itself.

All the Equity Shares held by the Promoters / members of the Promoters' Group are in dematerialized form.

In terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018, we confirm that the Minimum Promoters' Contribution of 20.00% of the Post Issue Capital of our Company as mentioned above does not consist of;

- Equity Shares acquired during the preceding three years for;
  - consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction;
  - resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the company or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;
- The Equity Shares held by the Promoters and offered for Minimum Promoters' contribution which are subject to any pledge with any creditor;
- Equity Shares acquired by Promoters during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Initial Public offer;
- Equity Shares allotted pursuant to conversion of Partnership Firm.

**19.** Lock in of Equity Shares held by Promoters in excess of Minimum Promoters' contribution:

In addition to Minimum Promoters' Contribution which shall be locked-in for three years, the balance 4001200 Equity Shares held by Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer as provided in clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018.

**20.** Lock in of Equity Shares held by Persons other than the Promoters:

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue capital held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer. Accordingly 6800 Equity shares held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

**21.** Inscription or Recording of non-transferability:

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

**22.** Pledge of Locked in Equity Shares:

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

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

- In case of Equity Shares held by Promoters in excess of Minimum Promoters' contribution, the pledge of equity shares is one of the terms of sanction of the loan.

However, 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 has expired.

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

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

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

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

**24.** Our Company, our Directors and the Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.

**25.** As on date of the Draft Prospectus, there are no Partly Paid-up Shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.

**26.** Neither the Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Draft Prospectus.

**27.** Prior to this Initial Public Offer, our Company has not made any public issue or right issue to public at large.

**28.** There are no safety net arrangements for this public issue.

**29.** As on the date of filing of the Draft Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.

**30.** As per RBI regulations, OCBs are not allowed to participate in this offer.

**31.** Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we may consider raising bridge financing facilities, pending receipt of the Net Proceeds.

**32.** There are no Equity Shares against which depository receipts have been issued.

**33.** As on date of the Draft Prospectus, other than the Equity Shares, there are is no other class of securities issued by our Company.

**34.** Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.

**35.** An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.

**36.** Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253(2) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows:

(a). minimum fifty per cent. to retail individual investors; and

(b). remaining to:

i) individual applicants other than retail individual investors; and

ii) other investors including corporate bodies or institutions, irrespective of the number of Equity Shares applied for;

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

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

**37.** No incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise shall be offered by any person connected with the distribution of the issue to any person for making an application in the Initial Public Offer, except for fees or commission for services rendered in relation to the issue.

**38.** Our Promoters and the members of our Promoters' Group will not participate in this offer.

**39.** Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoters' Group between the date of filing the Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.

**40.** Except as stated below, none of our other Directors or Key Managerial Personnel holds Equity Shares in our Company.

| Sr. No. | Name | Designation | No. of Equity Shares held | % of Pre Issue Equity Share Capital | % of Post Issue Equity Share Capital |
|---|---|---|---|---|---|
| 1. | Mr. Rakesh Kumar | Chairman cum Managing Director | 724850 | 13.16 | 9.65 |
| 2. | Mrs. Rekha Bansal | Whole-time Director | 4324850 | 78.49 | 57.60 |
| 3. | Mr. Dhruv Rakesh | Executive Director | 453500 | 8.23 | 6.04 |
| 4. | Mr. Baljeet Singh | Chief Financial Officer | 2200 | 0.04 | 0.03 |
| 5. | Ms. Amanpreet Kaur | Company Secretary and Compliance Officer | 0 | 0.00 | 0.00 |

## SECTION VII – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Issue constitutes a public Issue of 1998000 Equity Shares of our Company at an Issue Price of ₹40/- per Equity Share.

**FRESH ISSUE**

The Issue Proceeds from the Fresh Issue will be utilized towards the following objects:

1. Setting up of new Manufacturing Unit at Baddi, Himachal Pradesh
2. To Meet Incremental Working Capital Requirements
3. For General Corporate Purposes
4. To meet Public Issue Expenses

(Collectively referred as the "objects")

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be ₹720.00 Lakhs (the "**Net Issue Proceeds**").

The following table summarizes the requirement of funds from Initial Public Offering:

| Particulars | Amount (₹ in) Lakhs |
|---|---|
| Gross Issue Proceeds | 799.20 |
| Less: Public Issue Related Expenses | 79.20 |
| **Net Issue Proceeds** | **720.00** |

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believethat our Company will receive the benefits from listing of Equity Shares on the Emerge Platform of NSE. It will also provideliquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.Our company is engaged in manufacturing of Paper Based Packing Material, Self Adheshive Tapes (specialty tapes likes Masking, Siliconized, Medical and Surface protection Tapes), Laminated Products and flexible Packaging.

The objects clause of our Memorandumenables our Company to undertake its existing activities and these activities which have been carried out until now byour Company are valid in terms of the objects clause of our Memorandum of Association.

**COST OF PROJECT AND MEANS OF FINANCE**

**COST OF PROJECT:**

| Sr. No. | Particulars | Amount (₹ in) Lakhs | % of Total Project Cost |
|---|---|---|---|
| 6. | Setting up of new Manufacturing Unit at Baddi, Himachal Pradesh# | 690.00 | 44.54 |
| 7. | Incremental Working Capital Requirements | 415.00 | 26.79 |
| 8. | Purchase of Plant and Machinery for Vadodara Unit | 260.00 | 16.78 |
| 9. | For General Corporate Purposes | 105.00 | 6.78 |
| 10. | Public Issue Expenses | 79.20 | 5.11 |
| **Total Cost of Project** | | **1549.20** | **100.00** |

**# BREAK UP OF THE NEW MANUFACTURING UNIT AT BADDI, HIMACHAL PRADESH**

| Sr. No. | Particulars | Amount Required (₹ in Lakhs) |
|---|---|---|
| 4. | Acquisition of Land | 200.00 |
| 5. | Construction of Building and Civil Work | 250.00 |
| 6. | Purchase of Plant and Machinery new Manufacturing Unit at Baddi, Himachal Pradesh | 240.00 |
| **Total** | | **690.00** |

**MEANS OF FINANCE:**

**(₹ In Lakhs)**

| Sr. No. | Particulars | Amount Required | From IPO Proceeds | Internal Accruals/Equity/Reserves | Balance from Borrowing* |
|---|---|---|---|---|---|

| | | | | | |
|---|---|---|---|---|---|
| 8. | Acquisition of Land for new Manufacturing Plant at Baddi, Himachal Pradesh | 200.00 | 200.00 | 0.00 | 0.00 |
| 9. | Construction of Building and Civil Work for new Manufacturing Plant at Baddi, Himachal Pradesh | 250.00 | 60.00 | 25.00 | 165.00 |
| 10. | Purchase of Plant and Machinery at new Manufacturing Plant at Baddi, Himachal Pradesh | 240.00 | 45.00 | 25.00 | 170.00 |
| 11. | Incremental Working Capital Requirements | 415.00 | 310.00 | 105.00 | 0.00 |
| 12. | Purchase of Plant and Machinery for Vadodara Unit | 260.00 | 0.00 | 95.00 | 165.00 |
| 13. | For General Corporate Purposes | 105.00 | 105.00 | 0.00 | 0.00 |
| 14. | Public Issue Expenses | 79.20 | 79.20 | 0.00 | 0.00 |
| **Total** | | **1549.20** | **799.20** | **250.00** | **500.00** |

*Our company has received the Expression of Interest from Canara Bank vide letter dated July 27, 2021 for amount of Rs. 500.00 Lakhs for the proposed project of our company as a term loan.

Accordingly, we confirm that we are in compliance with the requirement to make the firm arrangement of finance under Regulation 230(1) (e) of the SEBI ICDR Regulations and Clause 9 (C) of Part A of Schedule VI of the SEBI ICDR Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals).

The fund requirement and deployment is based on internal management estimates and have not been appraised by anybank or financial institution. These are based on current conditions and are subject to change in the light of changes inexternal circumstances or costs or other financial conditions and other external factors. In case of any increase in theactual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way ofmeans available to our Company, including from internal accruals. If the actual utilization towards any of the Objects islower than the proposed deployment such balance will be used for future growth opportunities including funding existingobjects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towardsany of the above mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing)and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of InternalAccruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaidfrom the Issue Proceeds.

We further confirm that no part proceed of the Issue shall be utilized for repayment of any Part of unsecured loanoutstanding as on date of draft Prospectus. As we operate in competitive environment, our Company may have to revise itsbusiness plan from time to time and consequently our fund requirements may also change. Our Company's historicalexpenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs,fund allocation and fund requirements owing to various factors such as economic and business conditions, increasedcompetition and other external factors which may not be within the control of our management. This may entailrescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particularpurpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the Sectiontitled "RISK FACTORS" beginning on page no. 18 of this Draft Prospectus.

## UTILIZATION OF NET ISSUE PROCEEDS

The Net Issue Proceeds will be utilized for following purpose:

| Sr. No. | Particulars | Amount (₹ in) Lakhs | % of Net Issue Proceeds |
|---|---|---|---|
| 1. | Acquisition of Land for new Manufacturing Plant at Baddi, Himachal Pradesh | 200.00 | 27.78 |
| 2. | Construction of Building and Civil Workfor new Manufacturing Plant at Baddi, Himachal Pradesh | 60.00 | 8.33 |
| 3. | Purchase of Plant and Machinery at new Manufacturing Plant at Baddi, Himachal Pradesh | 45.00 | 6.25 |

| | | | |
|---|---|---|---|
| 4. | To Meet Incremental Working Capital Requirements[&] | 310.00 | 43.06 |
| 5. | For General Corporate Purposes | 105.00 | 14.58 |
| **Total** | | **720.00** | **100.00** |

[&]Total Incremental working capital requirement of the company is expected to be Rs. 415.00 Lakhs out of which amount to the extent of Rs. 310.00 Lakhs will be funded out of Net Issue Proceeds.

## DETAILED BREAK UP OF THE PROJECT COST:

At present, our unit I is set up and located in Panchkula at Haryana having installed capacity of manufacturing of Easy Release/Soap Banding Tape, Clear/Printed Bopp Tape, Laminated Products, Promotional/ Advertising Shelf Strip Tapes of 800, 600, 350, 120 and 100 MT per annum respectively. Our company's Unit II at Vadodra in Gujarat having installed capacity of manufacturing Corrugated boxes and Sleeve roll, Tray and Sheet of 1800 MT per annum and 3600 MT per annum respectively. We are proposing to commence manufacturing facilities at Baddi in Himachal Pradesh for manufacturing of Clear/Printed Bopp Tape, Masking/specialty tapes and Laminated Products. We are also proposing to installed machinery at Vadodara (Unit II) for manufacturing of Clear/Printed Bopp Tape, Masking/specialty tapes and Laminated Products.

The overall project cost has been estimated at INR 1549.20 Lacs, which is estimated as under:

| Sr. No. | Particulars | Amount Required (₹ in Lakhs) |
|---|---|---|
| A. | Acquisition of Land | 200.00 |
| B. | Construction of Building and Civil Work | 250.00 |
| C. | Incremental Working Capital Requirements | 415.00 |
| D. | Purchase of Plant and Machinery | 500.00 |
| E. | For General Corporate Purposes | 105.00 |
| F. | Issue Related Expenses | 79.20 |
| **Total** | | **1549.20** |

### A. ACQUISITION OF LAND

Our Company proposes to acquire land for setting up its new manufacturing plant at Baddi, Himachal Pradesh. However no such land is identified by our company. The expected land admeasuring arear is 8000 Sqr mtrs. As on the date of draft prospectus our company has not identified any land for prosed manufacturing plant. The total cost of land is expected to be Rs 200.00 lakhs which includes the Registrationcharges, change in land usage charges and other miscellaneous charges.

Proposed land to be acquired for setting up its new manufacturing plant at Baddi, Himachal Pradesh will be free from all encumbrances and will have clear title in the name of our company.

Our company has not applied for any government registration pertaining for proposed project at Baddi, Himachal Pradesh. Our company will be obtain all the requisite approvals with in due time required for proposed project.

Our company proposes to utilise part of Net issue proceeds towards Acquisition of Land for our proposed project at Baddi, Himachal Pradesh.

### B. CONSTRUCTION OF BUILDING AND CIVIL WORK:

The overall cost of building and civil works to construct the factory shed of new manufacturing unit at Baddi, Himachal Pradesh is estimated to be Rs. 250 Lakhs. Our company has not obtained any quotation for construction of Building and Civil work.

Details of Construction of Building and Civil work provided below is based on estimates envisaged by Management of our company

| Sr. No | Particulars | Type of Construction | Size (Sqr. Mtr) | Rate | Amount (In Lakhs) |
|---|---|---|---|---|---|
| **1.** | Manufacturing Shed | RCC roof Kota stone flooring | 3000 | 7500 | 225.00 |
| **2.** | Office Block | RCC roof Kota stone flooring | 125 | 10000 | 12.50 |
| **3.** | Boundary wall, Security office, Internal roads etc. | | | | 12.50 |
| Total cost of construction of building and Civil Work | | | | | **250.00** |

### C. INCREMENTAL WORKING CAPITAL REQUIREMENT:

Our company is engaged in manufacturing of Paper Based Packing Material, Self Adheshive Tapes (specialty tapes likes Masking, Siliconized, Medical and Surface protection Tapes), Laminated Products and flexible Packaging. As on March 31, 2021, Net Working Capital requirement of our Company on restated standalone financial basis was ₹ 347.66 Lakhs as against that of ₹ (37.89) lakhs as on March 31, 2020. The Net Working capital requirements for the financial year 2021-22 is estimated to be ₹ 845.55 Lakhs. The Company will meet the working capital requirement to the extent of ₹ 310.00 Lakhs from the Net Issue Proceeds and balance from borrowings and internal accruals at an appropriate time as per the requirement.

(Amount in ₹ Lakhs)

| Particulars | As per Restated Standalone financial statement | | | Projected |
|---|---|---|---|---|
| | 31-Mar-19 | 31-Mar-20 | 31-Mar-21 | 31-Mar-22 |
| Inventories | | | | |
| ➢ Finished Goods | - | 15.40 | 33.80 | 81.12 |
| ➢ Work In Progress | | 13.93 | 17.02 | 19.61 |
| ➢ Raw Material | - | 136.55 | 409.59 | 471.59 |
| Trade receivables[1] | - | 414.49 | 497.74 | 650.94 |
| Cash and cash equivalents | - | 27.54 | 91.00 | 26.48 |
| Short-term loans and advances | - | 52.22 | 97.76 | 100.00 |
| Other Current Assets | - | 5.33 | 14.37 | 0.00 |
| **Total Current Assets** | **-** | **665.46** | **1,161.28** | **1,349.74** |
| | | | | |
| | | | | |
| Trade payables | - | 613.39 | 728.87 | 419.19 |
| Other current liabilities[2] | - | 89.96 | 75.48 | 85.00 |
| Short-term provisions | - | - | 9.28 | 0.00 |
| **Total Current Liabilities** | **-** | **703.35** | **813.62** | **504.19** |
| **Net Working Capital** | **-** | **(37.89)** | **347.66** | **845.55** |
| | | | | |
| **Incremental Working Capital** | | | | |
| | | | | |
| **Sources of Funds** | | | | |
| Short Term Borrowing | - | - | 127.79 | 275.00 |
| Unsecured Loan from Directors/Relatives | - | - | - | - |
| Internal Accruals/Existing Net worth | - | - | 219.87 | 260.55 |
| Proceeds from IPO | - | - | - | 310.00 |
| **Total** | **-** | **-** | **347.66** | **845.55** |

[1]Includes trade receivables classified as non-current.
[2]Does not Include Current Maturity of Long Term Loans.

**Assumptions for working capital requirements**

| Particulars | outstanding or holding level for the (in Months) | | | | Justification for Holding (FY 2021-22) |
|---|---|---|---|---|---|
| | FY 18-19 (Restated) | FY 19-20 (Restated) | FY 20-21 (Restated) | FY 21-22 (Projected) | |
| Inventory | | | | | |
| ➢ Raw Material | 0.00 | 0.63 | 1.36 | 1.35 | Raw Material holding period is based on last two years outstanding holding period. |
| ➢ Work in Progress | 0.00 | 0.05 | 0.05 | 0.05 | Work In Progress holding period is based on last two years outstanding holding period. |
| ➢ Finished Goods | 0.00 | 0.06 | 0.09 | 0.20 | Finished Goods holding period is based on last two |

| Particulars | outstanding or holding level for the (in Months) | | | | Justification for Holding (FY 2021-22) |
|---|---|---|---|---|---|
| | FY 18-19 (Restated) | FY 19-20 (Restated) | FY 20-21 (Restated) | FY 21-22 (Projected) | |
| | | | | | years outstanding holding adjusted to meet requirement of expected turnover in FY 2021-22. |
| Trade Receivables | 0.00 | 1.51 | 1.33 | 1.50 | Company expects Debtors cycle to be at 1.50 Months approximately FY 2021-22 based on FY 2019-20 and FY 2020-21 and adjusted to meet expected turnover for the FY 2021-22 |
| Trade Payables | 0.00 | 2.82 | 2.42 | 1.20 | Company expects Trade Payables to maintain 1.2 months approximately for F.Y. 2021-22 to reap the benefit of cash Discount by early payment. |

## D. PURCHASE OF PLANT AND MACHINERY

The total cost of plant & Machinery including installation and transportation charges is estimated to be Rs 500.00 lakhs comprising out of which Plant & Machineries amounting to Rs. 260 Lakhs will be installed at our Vadodara Unit situated at Survey No. 1, Vill Mahuvad, Padra Vadodra-391440 Gujarat and Plant & Machineries amounting to Rs 240 Lakhs will be installed at our proposed project at Baddi, Himachal Pradesh.

Our company has received quotations from vendors for purchase of plant and machineries. Management of our company after internal assessment have approved following quotations and the details of the Plant & Machinery to be purchased is given below.

Our Company has not placed any orders for purchase of such plant and machineries till the date of this Draft Prospectus. No Second Hand Machineries will be purchased, our company will install new Plant & Machineries at both the Plants.

Our company has received quotations for supply of planta and machineries which as follows;

| DETAILS OF COST OF PLANT & MACHINERY | | | | |
|---|---|---|---|---|
| **(A) Baddi New Unit** | | | | |
| **S.no** | **Particulars** | **Vendor** | **No.** | **Amt. (Rs. Lacs)** |
| **1** | 8 Color Printing | Lotus Mechanical Pvt. Ltd.[1] | 1 | 85.50 |
| **1.** | Solvent Less Lamination | Lotus Mechanical Pvt. Ltd.[1] | 1 | 28.80 |
| **2.** | BOPP Coating | Sunil Engineering[2] | 1 | 17.75 |
| **3.** | Slitting (Tape) | Sunil Engineering[2] | 1 | 3.40 |
| **4.** | S P F Coating Machine | Surya Packaging[4] | 1 | 50.80 |
| **5.** | **Sub Total** | | | **186.25** |
| **18%** | **Add: GST -18%** | | | 33.53 |
| | **Sub Total** | | | **219.78** |

| DETAILS OF COST OF PLANT & MACHINERY | | | | |
|---|---|---|---|---|
| **(A) Baddi New Unit** | | | | |
| **S.no** | **Particulars** | **Vendor** | **No.** | **Amt. (Rs. Lacs)** |
| | **Misc. (Electrical, Hot Air, Transportation & Installation including GST)** | | | **20.22** |
| | **Total (A)** | | | **240.00** |
| **(B) Vadodara Unit** | | | | |
| **S.no** | **Particulars** | | | **Amt. (Rs. Lacs)** |
| **1.** | Printing | Lotus Mechanical Pvt. Ltd. [1] | 1 | 85.50 |
| **2.** | Multi-Color Head | Sunil Engineering[3] | 1 | 45.00 |
| **3.** | Cantiliver Slitter | Lotus Mechanical Pvt. Ltd.[1] | 1 | 18.50 |
| **4.** | Solvent Less Lamination | Lotus Mechanical Pvt. Ltd.[1] | 1 | 28.80 |
| **5.** | BOPP Coating | Sunil Engineering[2] | 1 | 17.75 |
| **6.** | Slitter (Tape) | Sunil Engineering[2] | 1 | 3.40 |
| | **Sub Total** | | | **198.95** |
| **18%** | **Add: GST -18%** | | | 35.81 |
| | **Sub Total** | | | **234.76** |
| | **Misc. (Electrical, Hot Air, Transportation & Installation including GST)** | | | 25.24 |
| | **Total (B)** | | | **260.00** |
| | **Grand Total (A+B)** | | | **500.00** |

[1]Our Company has received quotations which are valid for upto October 12, 2021 days.
[2] Our Company has received quotations dated July 08, 2021 which are valid for 3 Months.
[3] Our Company has received quotations dated July 12, 2021 which are valid for 30 days.
[4] Our Company has received quotations dated July 09, 2021 which are valid for 30 days.

Our company will utilize Net Issue Proceeds for purchase of Purchase of Plant and Machineries to the extent of Rs. 45 Lakhs which will be installed at our proposed project at Baddi, Himachal Pradesh. Remaining requirement of fund for Plant and Machinery will be finances by Internal Accruals and term loan for which our company has received Expression of Interest from Canara Bank vide letter dated July 27, 2021 for amount of Rs. 500 Lakhs.

## E. FOR GENERAL CORPORATE PURPOSES:

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy ₹ 105.00 Lakh towards the general corporate purposes to drive our business growth. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purpose subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

1. Strategic initiatives;
2. Brand building and strengthening of marketing activities; and
3. On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

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

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

## F. ISSUE RELATED EXPENSES

The total expenses of the Issue are estimated to be approximately ₹ 79.20 lakhs. The expenses of this include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as follows:

| Expenses | Expenses (₹ in Lakh) | Expenses (% of total Issue expenses) | Expenses (% of Gross Issue Proceeds) |
|---|---|---|---|
| Lead Manger Fees including Underwriting Commission | 25.00 | 31.57 | 3.13 |
| Fees Payable to Registrar to the Issue | 1.00 | 1.26 | 0.13 |
| Fees Payable for Advertising, Advisor, Marketing Expenses and Printing Expenses | 40.70 | 51.39 | 5.09 |
| Fees Payable to Regulators including Stock Exchanges and other Intermediaries | 4.50 | 5.68 | 0.56 |
| Legal Advisor | 0.50 | 0.63 | 0.06 |
| Fees payable to Peer Review Auditor | 1.00 | 1.26 | 0.13 |
| Fees Payable to Market Maker (for Two Years) | 6.00 | 7.58 | 0.75 |
| Escrow Bank Fees | 0.50 | 0.63 | 0.06 |
| **Total Estimated Issue Expenses** | **79.20** | **100.00** | **9.91** |

***Notes:***

1. *Up to July 31, 2021 Our Company has deployed/incurred expense of ₹ 7.52 Lakhs towards Issue Expenses and custodian connectivity charges out of internal accruals duly certified by Statutory Auditor M/s. Deepak Jindal and Co., Chartered Accountants vide its certificate dated July 31, 2021bearing UDIN: 21514745AAAADN3207.*
2. *Any expenses incurred towards aforesaid issue related expenses during the period from August 20, 2020 to till the date of listing of Equity Shares will be reimburse/recouped out of the gross proceeds of the issue.*
   *Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, wouldbe as follows:*
   *Portion for RIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)*
   *Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)*
   *^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).*
3. *The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per validASBA Form. The terminal from which the application has been uploaded will be taken into account in order todetermine the total application charges payable to the relevant RTA/CDP.*
4. *Registered Brokers, will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order todetermine the total processing fees payable to the relevant Registered Broker.*
5. *SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured bythe members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.*

*Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs andsubmitted to them.*

## SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

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

**(₹ In Lakhs)**

| Sr. No. | Particulars | Total Estimated Cost | Amount to be funded from the Net Issue Proceeds (₹ in Lakhs) | Amount to be funded from Internal Accruals | Amount to be funded from Borrowings | Amount already deployed (₹ in Lakhs) | Estimated Utilization of Net Issue Proceeds (₹ in Lakhs) (Upto Financial year 2021-22)* | Estimated Utilization of Net Issue Proceeds (₹ in Lakhs) (Upto Financial year 2022-23)* |
|---|---|---|---|---|---|---|---|---|
| 1. | Acquisition of Land for new Manufacturing Plant at Baddi, Himachal Pradesh | 200.00 | 200.00 | 0.00 | 0.00 | 0.00 | 200.00 | 0.00 |
| 2. | Construction of Building and Civil Work for new Manufacturing Plant at Baddi, Himachal Pradesh | 250.00 | 60.00 | 25.00 | 165.00 | 0.00 | 85.00 | 165.00 |
| 3. | Purchase of Plant and Machinery for new Manufacturing Plant at Baddi, Himachal Pradesh | 240.00 | 45.00 | 25.00 | 170.00 | 0.00 | 70.00 | 170.00 |
| 4. | Purchase of Plant and Machinery for Vadodara Unit | 260.00 | 0.00 | 95.00 | 165.00 | 0.00 | 260.00 | 0.00 |
| 5. | Incremental Working Capital Requirements | 415.00 | 310.00 | 105.00 | 0.00 | 0.00 | 415.00 | 0.00 |
| 6. | For General Corporate Purposes | 105.00 | 105.00 | 0.00 | 0.00 | 0.00 | 105.00 | 0.00 |
| 7. | Public Issue Expenses | 79.20 | 79.20 | 0.00 | 0.00 | 7.52 | 79.20 | 0.00 |
| **Total** | | **1549.20** | **799.20** | **250.00** | **500.00** | **7.52** | **1214.20** | **335.00** |

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

**Baddi, Himachal Pradesh (Proposed Project)**

| Particulars | Month of Commencement | Month of Completion |
|---|---|---|
| Acquisition of Land | September, 2021 | December 2021 |
| Construction of Building and Civil Work | January, 2022 | November 2022 |
| Purchase of Plant and Machinery | November 2021 | November 2022 |
| Installation of Plant and Machinery | November 2022 | December 2022 |
| Trial Run | December 2022 | December 2022 |
| Commercial Production | January 2023 | |

**Vadodara Unit**

| Particulars | Month of Commencement | Month of Completion |
|---|---|---|
| Purchase of Plant and Machinery | October 2021 | March 2022 |
| Installation of Plant and Machinery | April 2022 | June 2022 |
| Trial Run | July 2022 | August 2022 |
| Commercial Production | September 2022 | October 2022 |

## APPRAISAL REPORT

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

## BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance the existing ongoing project facility requirements until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance our existing/ongoing projects will be repaid from the Net Issue Proceeds of the Issue.

## INTERIM USE OF FUNDS

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the 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 Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

## MONITORING UTILIZATION OF FUNDS

There is no requirement for the appointment of a monitoring agency, as the Issue size is less than ₹ 10,000 Lakhs. Our Board will monitor the utilization of the proceeds of the Issue and will disclose the utilization of the Net Issue 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 Issue 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 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 Draft Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

## VARIATION IN OBJECTS

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 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 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.

## OTHER CONFIRMATIONS

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel or Group Companies except in the normal course of business and in compliance with the applicable law.

## BASIS FOR ISSUE PRICE

The issue price has been determined by the issuer in consultation with the lead manager. The financial data presented in this section are based on our Company's Restated Financial Statements. Investors should also refer to the sections/chapters titled "RISK FACTORS" and "RESTATED FINANCIAL INFORMATION" on page no. 18 and 133, respectively of this Draft Prospectus to get a more informed view before making the investment decision.

## QUALITATIVE FACTORS

- Experienced management team
- Quality Products
- Wide Range of our Packing Products
- Long term relationship with MNC's Customers
- Infrastructure and Integrated capabilities to deliver quality Products
- Provide customized packaging solution as per client requirements

For details of qualitative factors, please refer to the paragraph "OUR COMPETITIVE STRENGTHS" in the chapter titled "BUSINESS OVERVIEW" beginning on page no. 80 of this Draft Prospectus.

## QUANTITATIVE FACTORS

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

$$\text{Basic earnings per share (₹)} = \frac{\text{Restated Consolidated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding}}$$

$$\text{Diluted earnings per share (₹)} = \frac{\text{Restated Consolidated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding after adjusting adjusted for the effects of all dilutive potential equity shares}}$$

| Financial Year/Period | Basic and Diluted EPS (in ₹)# | Weights |
|---|---|---|
| Financial Year ended March 31, 2019 | 0.00 | 1 |
| Financial Year ended March 31, 2020 | 4.22 | 2 |
| Financial Year ended March 31, 2021 | 5.91 | 3 |
| **Weighted Average** | **4.36** | |

# Face Value of Equity Share is ₹ 10.

### 2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ 40:

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

| Particulars | EPS (in ₹) | P/E at the Issue Price |
|---|---|---|
| Based on EPS of Financial Year ended March 31, 2021 | 5.91 | 6.76 |
| Based on Weighted Average EPS | 4.22 | 9.16 |

### 3. Average Return on Net Worth:

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

| Financial Year/Period | Return on Net Worth (%) | Weights |
|---|---|---|
| Financial Year ended March 31, 2019 | 0.00 | 1 |
| Financial Year ended March 31, 2020 | 45.70 | 2 |
| Financial Year ended March 31, 2021 | 30.57 | 3 |
| **Weighted Average** | **30.52** | |

### 4. Net Asset Value per Equity Share:

$$\text{Restated Net Asset Value per equity share (₹)} = \frac{\text{Restated Net Worth as at the end of the year}}{\text{Number of Equity Shares outstanding}}$$

Based on Consolidated Restated Audited Financial Statement

| Particular | Amount (in ₹) |
|---|---|
| As at March 31, 2021* | 14.48 |
| NAV per Equity Share after the Issue | 20.22 |
| Issue Price per Equity Share | 40.00 |

* After giving effect for allotment of Bonus shares by our company in the ratio of 1:1 on April 26, 2021.

**5. Comparison of Accounting Ratios with Peer Group Companies:**

| Name of the company | Standalone/ Consolidated | Face Value (₹) | Current Market Price (₹)@ | EPS (₹) Basic | P/E Ratio | RoNW (%) | NAV per Equity Share (₹) | Revenue from operations (₹ in Lakhs) |
|---|---|---|---|---|---|---|---|---|
| D.K. Enterprises Global Limited | Consolidated | 10 | 40.00 | 6.83 | 5.85 | 30.31 | 14.49 | 6,483.89 |
| | Standalone | 10 | 40.00 | 4.83 | 3.50 | 24.95 | 14.49 | 4499.85 |
| **Peer Group** | | | | | | | | |
| Anuroop Packaging Limited^ | Consolidated | 10 | 7.85 | 1.94 | 4.05 | 10.89 | 17.81 | 1406.08 |
| Hindustan Adhesives Limited ^ | Consolidated | 10 | 116.00 | 17.09 | 6.79 | 20.22 | 84.60 | 21,365.00 |
| G.K.P. Printing & Packaging Limited^ | Standalone | 10 | 30.00 | 1.09 | 27.52 | 3.59 | 29.68 | 2926.39 |

**Note: (1)** The EPS, P/E Ratio, NAV, RonW and revenue from operations of D.K. Enterprises Global Limited are taken as per Restated Standalone/Consolidated Financial Statement for the Financial Year 2020-21.

**(2)** Our Company has allotted Bonus Equity Shares on April 26, 2021 in the ratio of 1:1. EPS appearing in above for our company is after giving effect of bonus shares.

@ Current Market Price (CMP) is taken as the closing price of respective scripts as on March 31, 2021 at BSE. For our Company, Current Market Price is taken same as issue price of equity share.

^ The Figures as at March 31, 2021 and are taken from the financial results uploaded on respective Stock Exchange(s).

**6.** The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Issue price is 4.00 times the face value of equity share.

The Issue Price of ₹ 40/- is determined by our Company in consultation with the Lead Manager is justified based on the above accounting ratios. For further details, please refer to the section titled "RISK FACTORS" and chapters titled "BUSINESS OVERVIEW" and "RESTATED FINANCIAL INFORMATION" beginning on page nos. 18, 80 and 133 respectively of this Draft Prospectus.

www.dkenterprises.co.in

## STATEMENT OF POSSIBLE TAX BENEFITS

**To,**
**The Board of Directors,**
**D.K. Enterprises Global Limited**
Plot No-235 Industrial Area Phase-2 Panchkula-134109
Haryana, India

Dear Sir,

**Subject - Statement of possible tax benefits ("the statement") available to D.K. Enterprises Global Limited ("the company") and its shareholder prepared in accordance with the requirement in Point No. 9 (L) of Part A of Schedule VI to the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018.**
**Reference - Initial Public Offer of Equity Shares by D.K. Enterprises Global Limited**

1. We hereby confirm that the enclosed Annexure 1 and 2 (together "the Annexures"), prepared by D.K. Enterprises Global Limited ('the Company'), provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income tax Act, 1961 ('the Act') as amended by the Finance Act 2021, circular and notifications issued from time to time, i.e. applicable for the Financial Year 2021-22 relevant to the assessment year 2022-23. the Central Goods and Services Tax Act, 2017 I the Integrated Goods and Services Tax Act, 2017 and the Customs Act, 1962 ("GST Act"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") as amended by the Finance Act 2021, circular and notifications issued from time to time, i.e., applicable for the Financial Year 2021-22 relevant to the assessment year 2022-23, presently in force in India (together, the "Tax Laws'') Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence. The ability of the Company and I or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

2. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that these Annexures are only intended to provide information to the investors and are neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering.

3. We do not express any opinion or provide any assurance as to whether
   i) the Company or its shareholders will continue to obtain these benefits in future;
   ii) the conditions prescribed for availing the benefits have been I would be met with; and
   iii) the revenue authorities courts will concur with the views expressed herein.

4. The Content of the enclosed Annexures are based on information, explanations and representations obtained from the company and on the basis of their understanding of the business activities and operations of the company.

5. No assurance is given that the revenue authorities/ Courts will concur with the view expressed herein. Our views are based on existing provisions of law and its implementation, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.

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

7. This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 20I8 for inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus in connection with the proposed issue of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

**For Deepak Jindal & Co.**
**Chartered Accountants**
**FRN: 023023N**

**CA Deepak Jindal**
**Partner**
**M.NO. 514745**
**UDIN: 2151475AAAADL3764**

**Place: Chandigarh**
**Date: July 19, 2021**

## ANNEXURE 1 TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Act presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the f.1ctthat certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

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

### A. SPECIAL TAX BENEFITS TO THE COMPANY

The Company is not entitled to any special tax benefits under the Act.

### B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

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

**Note:**

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

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

## ANNEXURE 2 TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Tax Laws, presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the f.1ctthat certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

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

### A. SPECIAL TAX BENEFITS TO THE COMPANY

The Company is not entitled to any special tax benefits under the Tax Laws.

### B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

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

**Note:**

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

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

## INDUSTRY OVERVIEW

**The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the Issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, 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, and, accordingly, investment decisions should not be based on such information.**

## GLOBAL ECONOMY

COVID-19 caused a global recession whose depth was surpassed only by the two World Wars and the Great Depression over the past century and a half. Although global economic activity is growing again, it is not likely to return to business as usual for the foreseeable future. The pandemic has caused a severe loss of life, is tipping millions into extreme poverty, and is expected to inflict lasting scars that push activity and income well below their pre-pandemic trend for a prolonged period.

The incipient recovery was initially supported by a partial easing of stringent lockdowns. Various restrictive measures have been reintroduced, however, as COVID-19 has continued to spread around the world. Some areas have experienced a sharp resurgence of infections, and daily new cases remain high. That said, there has been substantial progress in the development of effective vaccines, and inoculation has begun in some countries. A more general rollout in advanced economies and major emerging market and developing economies (EMDEs) is expected to proceed early this year. Most other EMDEs, however, face greater constraints in vaccine procurement and distribution. Until vaccines are widely distributed, effective containment strategies to limit the spread of COVID-19 remain critical.

Following the initial rebound in mid-2020, the global economic recovery has slowed. Whereas activity and trade in the goods sector have improved, the services sector remains anemic, with international tourism, in particular, still depressed. The fall in global investment has been pronounced, particularly for EMDEs excluding China. Even though financial conditions remain very loose, reflecting exceptional monetary policy accommodation, underlying financial fragilities are mounting. Most commodity prices rebounded from their mid- 2020 lows as strict lockdowns were gradually lifted and demand firmed, especially from China; however, the recovery in oil prices was more modest amid concerns over the pandemic's lasting impact on oil demand.

In all, the global economy is estimated to have contracted 4.3 percent in 2020—a 0.9 percentage point smaller collapse than was expected in June forecasts. In advanced economies, the initial contraction was less severe than anticipated, but the ensuing recovery has been dampened by a substantial resurgence of COVID- 19 cases. Meanwhile, output in China is estimated to have rebounded last year at a faster-than expected clip, with particular support from infrastructure spending. China's strength was an exception, however, and disruptions from the pandemic in the majority of other EMDEs were more severe than previously envisioned, resulting in deeper recessions and slower recoveries, especially in countries with recent large COVID-19 outbreaks.

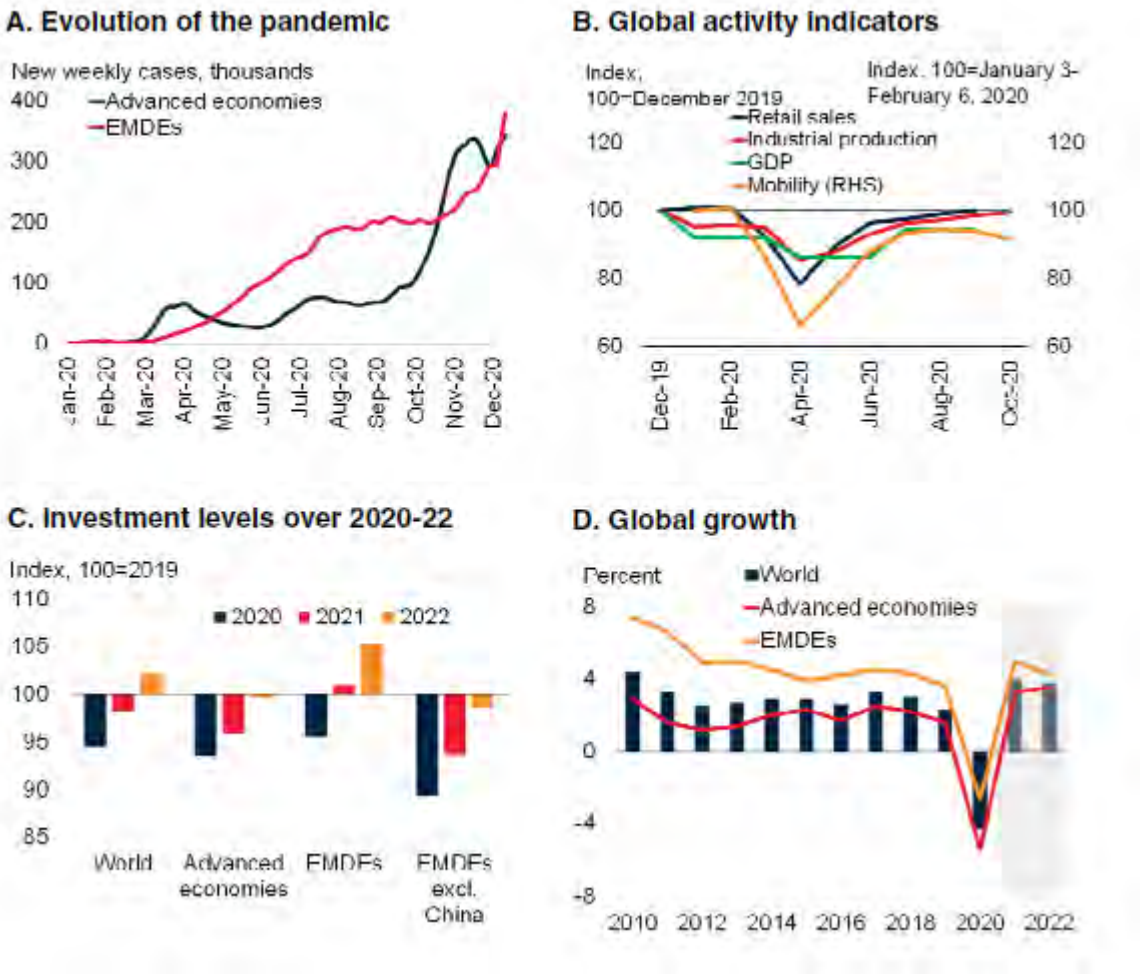
Advanced economies are projected to recover, with growth reaching 3.3 percent and 3.5 percent in 2021 and 2022, respectively, on the back of pandemic containment aided by widespread vaccination and sustained monetary policy accommodation, which is expected to more than offset the partial unwinding of fiscal support. Although aggregate EMDE growth is envisioned to firm to 5 percent in 2021 and to moderate to 4.2 percent in 2022, the improvement largely reflects China's expected rebound. Absent China, the recovery across EMDEs is anticipated to be far more muted, averaging 3.5 percent in 2021-22, as the pandemic's lingering effects continue to weigh on consumption and investment. Despite the recovery, aggregate EMDE output in 2022 is expected to remain 6 percent below its pre-pandemic projection.

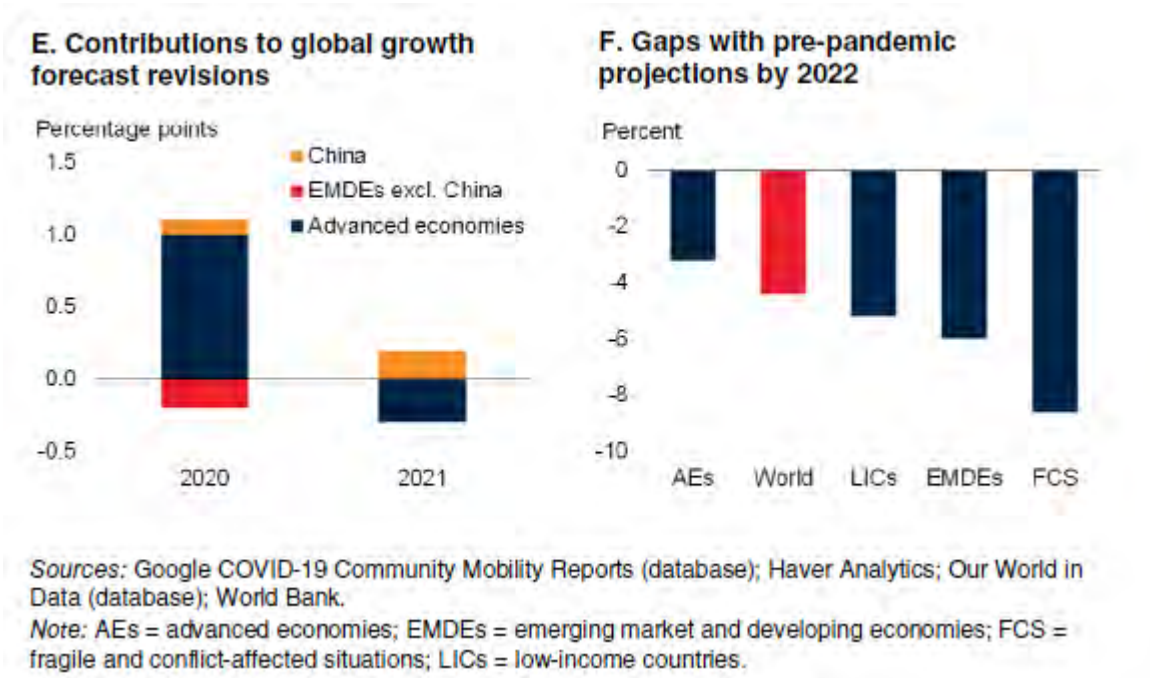
The pandemic has caused per capita incomes to fall in more than 90 percent of EMDEs, tipping millions back into poverty. For more than a quarter of EMDEs, the pandemic is expected to erase at least 10 years of per capita income gains— and, in about two-thirds of EMDEs, per capita incomes are projected to be lower in 2022 than they were in 2019. After more than two decades of steady global poverty reduction, the crisis is projected to push poverty rates back up to levels last seen in 2017. The pandemic has also impeded future prospects for poverty reduction by adversely affecting longer-term productivity growth—the deterioration in confidence has dampened investment, and the loss in learning-adjusted school years and prolonged spells of unemployment have eroded earlier gains in human capital. In low-income countries (LICs), activity in 2020 shrank 0.9 percent—the first aggregate contraction in a generation. Growth is forecast to resume at a moderate pace in 2021-22, averaging 4.3 percent. Nonetheless, output in LICs is expected to remain 5.2 percent below its pre-pandemic projections by 2022. The pandemic has hit fragile and conflict-affected LICs particularly hard, and their recovery is set to be even more sluggish, in part because the large-scale rollout of vaccines among these economies is expected to lag that of advanced economies and major EMDEs. The materialization of a number of downside risks could derail the projected global economic recovery, however. The pandemic could accelerate, and delays in vaccine procurement and distribution could limit the scope for achieving durable containment. Even if the pandemic is brought under control, its effect on potential growth could be longer lasting than expected. Debt has surged above already-high levels and,

although banking systems are generally well capitalized, a wave of bankruptcies could erode bank buffers, putting some countries at increased risk of financial crisis. In contrast, stronger-than-expected growth outcomes could result from improved pandemic management, aided by the rapid rollout of highly effective vaccines, which could trigger a sharp rise in consumer confidence and unleash pent-up demand.

In light of these risks, there are various possible scenarios for the ultimate path for global growth. In particular, in a downside scenario, new cases of COVID-19 would remain persistently higher than in the baseline in many parts of the world, and the vaccine rollout process would be slowed by logistical impediments and general reluctance to be immunized. Activity and financial conditions would deteriorate as a result. In these circumstances, global growth would be much more subdued, only recovering to 1.6 percent in 2021 and 2.5 percent in 2022. In a more severe downside scenario including widespread financial stress, global growth could even be negative in 2021.

This exceptional level of uncertainty around the near-term outlook also highlights the role of policy makers in raising the likelihood of better outcomes while warding off worse ones. Effective containment measures are key to avoid disruptive flare-ups of new cases. As such, the top near-term policy priority will continue to be pandemic control, such as sustaining compliance with social distancing and masking guidelines; increasing testing capacity; and, eventually, overcoming challenges in procuring and distributing vaccines, particularly in LICs. Timely and equitable access to vaccines across the world will necessitate global cooperation. Only once the pandemic is contained in all countries will each country be safe from a resurgence.






*Sources:* Google COVID-19 Community Mobility Reports (database); Haver Analytics; Our World in Data (database); World Bank.
*Note:* AEs = advanced economies; EMDEs = emerging market and developing economies; FCS = fragile and conflict-affected situations; LICs = low-income countries.

(Source: https://www.worldbank.org/en/publication/global-economic-prospects)

## INDIAN ECONOMIC

The Indian economy was negatively impacted by an unprecedented health crisis in 2020-21 with the highly contagious corona virus (Covid-19) spreading across the country. In response to the pandemic, Government has taken several proactive preventive and mitigating measures starting with progressive tightening of international travel, issue of advisories for the members of the public, setting up quarantine facilities, contact tracing of persons infected by the virus and various social distancing measures. Government imposed a strict 21 days nationwide lockdown from 25th March, 2020, under the Disaster Management Act, 2005, with subsequent extensions and relaxations, to contain the spread of Covid-19 while ramping up the health infrastructure in the country. The lockdown measures, imposed to contain the spread of Covid-19 pandemic in India, ubiquitously affected employment, business, trade, manufacturing, and services activities. The real Gross Domestic Product (GDP) growth is projected to contract by 7.7 percent in 2020-21 as compared to a growth of 4.2 percent in 2019-20. GDP growth, however, is expected to rebound strongly in 2021-22 owing to the reform measures undertaken by the Government.

The Government announced a special economic and comprehensive package under Atmanirbhar Bharat of ₹ 20 lakh crore - equivalent to 10 percent of India's GDP – to fight the Covid-19 pandemic in India. Several structural reforms announced as part of the package, inter alia, include deregulation of the agricultural sector, change in definition of MSMEs, new PSU policy, commercialization of coal mining, higher FDI limits in defence and space sector, development of Industrial Land/ Land Bank and Industrial Information System, Production Linked Incentive Schemes, revamp of Viability Gap Funding scheme for social infrastructure, new power tariff policy and incentivizing States to undertake sector reforms. Apart from this, various steps were taken to boost consumption which, inter alia, includes cash payment in lieu of the Leave Travel Concessions (LTC) scheme, One-time special Festival advance of ₹ 10,000 (interest-free) for central Government employees. Other steps such as Interest-free 50- year loan to states, additional capital expenditure budget for the central Government, launch of Emergency Credit Line Guarantee Scheme (ECLGS) 2.0, ₹ 1.46 lakh crore boost for manufacturing through Production-linked incentives for ten Champion Sectors, ₹ 18,000 crores additional outlay for PM Awaas Yojana (PMAY) –Urban, Equity infusion in National Investment and Infrastructure Fund (NIIF) Debt Platform, Demand booster for Residential Real Estate Income Tax relief for Developers & Home Buyers, Boost for Project Exports, Capital and Industrial Stimulus has been initiated to support economic growth.

As per the first Advance Estimates of annual national income released by the National Statistical Office (NSO), Real GDP is estimated to contract by 7.7 percent in 2020-21, as compared to a growth of 4.2 percent in 2019-20. This contraction in GDP growth is mainly attributed to the contraction in industry and services sector. The growth of Gross Value Added (GVA) at constant (2011-12) basic prices is estimated to contract by 7.2 percent in 2020-21, as compared to a growth of 3.9 percent achieved in 2019- 20. Positive growth in real GVA in agriculture & allied sectors at 3.4 percent in 2020- 21 against 4.0 percent in PE of 2019-20 indicates resilience of rural economic activity to the Covid-19 pandemic. From the demand side, private consumption expenditure is estimated to contract at 9.5 percent in 2020-21 as against a growth of 5.3 percent in 2019-20 and fixed investment is estimated to decline by 14.5 percent in 2020-21 as against 2.8 percent in 2019-20. Government consumption final expenditure is estimated to grow at 5.8 percent in 2020-21 as against 11.8 percent in 2019-20. Exports and imports of goods and services are estimated to contract at 8.3 percent and 20.5 percent (at constant prices) respectively in 2020-21.

(*Sources: https://www.indiabudget.gov.in/doc/frbm1.pdf*)

## INDUSTRY

Packaging plays a pivotal role in consumers' experience with respect to the brand and the overall purchasing experience. There are four major functions of packaging—containment, protection, communication and utility—that are intended to maximise sales and profits while reducing losses and wastage; and all of them are critical for enhancing consumer experience. In a traditional brick-and-mortar commerce, packaging was used to create distinction and increase shelf presence through attractive and easy-to-spot colors, shapes and graphics. When damage is occurred in a brick-and-mortar store, it was easy for the consumer to keep the damaged product aside and pick an undamaged one placed right next to it. Loss of product was not necessarily compounded by the loss of sales or customer. In an e-commerce world, however, the effects of a damaged product are very different. A consumer makes a purchasing decision at the click of a button and to contend with a damaged product, after delivery wait time, can lead to a conclusive decision against the online retailer. As per eMarketer, 83% consumers are unlikely to purchase from an online retailer again after a poor experience.

Having realised the impact of their packaging decisions, companies are investing to enhance e-commerce packaging to meet consumer expectations and positively impact their perceptions and purchasing decisions.

**Rise of the Indian e-commerce sector**

India has been witnessing a surge in its e-commerce sector over the last 5-6 years. The Indian e-commerce market is projected to grow to US$ 200 billion by 2026 from US$ 38.5 billion in 2017. This growth is likely to be propelled by an increase in internet and smartphone penetration and the ongoing digital transformation in the country. After India locked down in March this year, the e-commerce segment witnessed a momentary decline for a few weeks; however, re-opening of markets led to recovery and subsequently, an upsurge. Marketplaces as well as direct brand websites witnessed an overall 130% spike in online orders.

Since June, the sector has recorded massive sales events such as Myntra's End of Reason Sale, Flipkart's Independence Day Sale and Amazon's Prime Day Sales, boosting order volumes. In fact, recently, Walmart declared (in its latest earnings report) that Flipkart's GMV (Gross Merchandising Volume) has exceeded the pre-COVID 19 levels.

Another driving factor for this surge in e-commerce transactions is the emergence of first-time shoppers and the digital-first approach. Social distancing has led to significant growth of first-time online shoppers. While India's top 5 metropolitan cities continue to dominate the e-commerce sector, Tier II and III cities have also joined the race with a rising share of online shoppers. Amazon and Flipkart have gone a step further in supporting this growth in smaller cities by offering their platform content in local languages.

**Surge in e-commerce to continue post pandemic**

The post-lockdown numbers indicate a systemic shift in consumer purchasing preferences from offline to online. Customers are increasingly getting used to the comforts of online shopping.

Local retail outlets (Kirana shops) are also digitising and starting to deliver online to keep up with changing customer preferences and not lose business to large marketplaces such as Amazon and Flipkart. This is largely adding to the convenience of customers—in having everything delivered to their doorstep and saving time.

In a post-pandemic scenario, whether consumers go back to their old ways of purchasing or will the comfort, ease and discounts of online shopping continue to lure them remains a question. Nonetheless, it can be assumed that not all consumers will switch back to in-store shopping and continue buying online in the near future.

Another point to note is the change towards hygienic living—sanitisation, personal hygiene, social distancing or using healthy products—as this is expected to have a lasting impact on consumers even after the pandemic.

**Mixed impact of e-commerce on the packaging sector**

Amid the e-commerce surge, the Indian packaging industry is witnessing steep growth and is one of the strongest growing segments. According to the Indian Institute of Packaging (IIP), packaging consumption in India increased 200% in the past decade, from 4.3 kgs per person per annum (pppa) to 8.6 kgs pppa.

The industry is expected to reach US$ 204.81 billion by 2025 from US$ 50.5 billion in 2019 at 26.7% annually. The e-commerce segment of the packaging market was estimated at US$ 451.4 million in 2019 and is forecast to reach US$ 975.4 million by 2025 at 13.8% annually.

The packaging sector is categorised into two major segments (by type)—rigid and flexible packaging, with rigid packaging accounting for 64% market share. In terms of packaging materials, 55% of the sector is dominated by plastics, followed by paper & cardboard (20%) and glass (10%).

Food processing is the largest consumer of packaging at 45%, followed by pharmaceuticals (25%) and personal care products (10%). Increasing demand from these end-user segments is creating a huge potential for expansion.

Amid the pandemic, the demand for packaging for groceries, healthcare products and e-commerce transportation has increased exponentially; but, at the same, the demand for industrial, luxury and sections of B2B-transport packaging has declined. Some of the key end-user segments will witness mixed impact of the pandemic owing to a sharp increase in demand for some sub-segments and dip in others. For example:

- **Food and beverages packaging**: The packaged food and beverages segment is witnessing an upsurge due to a demand spike for essential food products and shelf-stable foods. Demand from the grocery and dairy product segments has subsequently fuelled the demand for vacuum packaging, trays and protective films including PVC film and shelf life-extending modified atmospheric packaging and others. However, demand from offline food chains including cafes and restaurants, which have been either entirely closed or operating partially, is negatively impacting the market.

- **Transit and Omni channel packaging**: Demand for this type of packaging has nosedived in the past few months due to reduced industrial activity. However, some of the negative impacts have been offset by the spike in demand from other end-user segments—such as disposable takeaway packaging for food and pharmaceuticals, and corrugated packaging for e-commerce and grocery deliveries.

- **Consumer packaging**: While the demand for packaging continues to be accentuated by the sharp increase in home deliveries for grocery purchases and other home care products, the demand for non-food, premium/luxury and non-essential purchases has been hit with stores remaining closed or consumer cut backs on spending.

- **Healthcare packaging**: Demand for all types of healthcare packaging and related substrates, including flexible blister foils, pumps, closures and rigid plastics, has soared. Similarly, the demand has also spiralled for packaging used in dietary supplements such as vitamins and essential supplies needed by consumers in a pandemic situation.

**Packaging: A vital bridge for adapting to change and staying relevant**

Since the pandemic, companies have been tweaking their products, marketing strategies and service offerings to cater to the evolving needs of consumers – highlighting what matters most today – safety, immunity and health. Swiggy, for instance, introduced a double-layered packaging that keeps food safe and fresh. Similarly, Nature's Basket switched from cloth bags to single-use paper bags that can be disposed of immediately after use. Packaged food product companies are focussing on packaging materials that support longer shelf-life. A few others are updating their packing designs to include communication around appropriate sanitisation. A few months back, the world was busy shunning single-use plastics; however, consumers have re-adopted it for better hygiene. Irrespective of the strategy adopted by the company or consumer, each of that strategy boils down to an impact on packaging.

Packaging is now seen as a key bridge between consumers and brands to effectively communicate that hygiene is maintained, safety is prioritised and product or service quality is not being compromised.

Packaging already had a pivotal role in consumer buying experience in the e-commerce world. And now, its impact has even grown bigger. This sector will continue to ride the e-commerce wave long into the future.

***(Sources: https://www.ibef.org/blogs/indian-packaging-industry-riding-on-the-e-commerce-wave)***

## BUSINESS OVERVIEW

***The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Draft Prospectus, including the information contained in the section titled "RISK FACTORS" on Page no. 18 of the Draft Prospectus. In this chapter, unless the context requires otherwise, any reference to the terms "We", "Us" "DK" and "Our" refers to Our Company. Unless stated otherwise, the financial data in this section is as per our Restated financial statements prepared in accordance with Accounting Standard set forth in the Draft Prospectus.***

## OUR BUSINESS

Our Company was incorporated as "D.K. Enterprises Global Hub Limited" at Panchkula (Haryana) on February 26, 2019, under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Central Registration Centre. Subsequently name of our company was changed to "D.K. Enterprises Global Limited" on April 4, 2019 vide certificate of incorporation pursuant to change in name issued by Registrar of Companies, Delhi.

We are mainly engaged in manufacturing of Paper Based Packing Material, Self Adheshive Tapes (specialty tapes likes Masking, Siliconized, Medical and Surface protection Tapes), Laminated Products and flexible Packaging. Our Company is ISO 9001:2015, 45001:2018 certified company. We have been working almost exclusive with major multinational corporations in consumer space.

D.K. Enterprises, a proprietorship concern of Mrs. Rekha Bansal running its business since last two decades which was taken over by our company (including all its movable assets, current assets and liabilities of manufacturing facilities of Panchkula and Vadodara) at a total consideration of ₹ 200.00 Lakhs (including goodwill of Rs. 162079.48) in terms of agreement dated May 15, 2019 by issuing 20,00,000 Equity Shares of Rs. 10 each of our company to Mrs. Rekha Bansal.

Our company's registered office and manufacturing facilities Unit I is located in Panchkula at Haryana and Unit II at Vadodra in Gujarat. We are proposing to commence manufacturing facilities at Baddi in Himachal Pradesh for manufacturing of Clear/Printed Bopp Tape, Masking/specialty tapes and Laminated Products. We are also proposing to installed machinery at Vadodara (Unit II) for manufacturing of Clear/Printed Bopp Tape, Masking/specialty tapes and Laminated Products.

At present, our company is also holding 80% stake in partnership firm namely M/s. Satguru Engravures which is engaged in manufacturing and sale of Soap Stiffners, Soap Wrappers, Banding BOPP Tapes, Laminates etc. and its manufacturing facilities is located at Khasra No. 619/489, Village Koundi, Tehsil Baddi, Distt. Solan, Himachal Pradesh. Our company has invested ₹ 312.87 Lakhs (including share of profit to the extent of Rs. 75.87 Lakhs upto FY 2020-21) in M/s. Satguru Engravures. The turnover of M/s. Satguru Engravures is Rs. 2,666.36 Lakhs and profit after tax is Rs. 90.28 Lakhs for the financial year ended March 31, 2021.

Our Company has robust growth and improvement in top line and bottom line on standalone basis in the past Financials years which is explained below:

**(₹ In Lakhs)**

| Particulars | FY 2020-21 | FY 2019-20 | FY 2018-19 |
|---|---|---|---|
| Revenue from Operations | 4499.85 | 3297.39 | 0.00 |
| Other Income | 48.46 | 28.69 | 0.00 |
| Total Revenue | 4548.32 | 3326.08 | 0.00 |
| Profit Before Tax | 250.44 | 158.60 | 0.00 |
| Profit After Tax | 199.18 | 124.71 | - |

We are using trademark "sankyo" taken on licenses basis for a period of 5 years from our promoter Mrs. Rekha Bansal.

## OUR PRODUCTS




| | |
|---|---|
| **Easy Release Tapes/Soap Banding Tapes** – These tapes are used for Promotional Marketing in soap Packs printed as per customer requirements. |  |
| **Self Adhesive BOPP Tapes**<br><br>• Plain/Printed BOPP Tapes<br>• Printed BOPP Tapes<br>• Masking Tapes<br>• Medical Tapes<br>• Tamper Evident Tapes<br>• Surface Protection Tapes<br>• Siliconized Tapes<br>• Promotional BOPP Tapes |  |
| **Corrugated Boxes**<br><br>Boxes need to contain the product from manufacturing through distribution to sale and sometimes end-use. Boxes provide some measure of product protection by themselves but often require inner components such as cushioning, bracing and blocking to help protect fragile contents. One of the important functions of a corrugated box is to provide crush resistance (product protection) and adequate strength for stacking in warehouses |  |

| | |
|---|---|
| **Corrugated Sleeve Rolls**<br><br>Corrugated fiberboard is a material consisting of a fluted corrugated sheet and one or two flat linerboards. It is made on "flute lamination machines" or "corrugators" and is used for making cardboard boxes. The corrugated medium sheet and the linerboard(s) are made of kraft containerboard, a paperboard material usually over 0.01 inches (0.25 mm) thick. Corrugated fiberboard is sometimes called corrugated cardboard, although cardboard might be any heavy paper-pulp based board. |  |
| **Dry Lamination + Extrusion Lamination**<br><br>Heat sealable Laminates for Mosquito repellant coils<br><br>Copier Paper, Masala Liners, Chips, Noodles etc.<br><br>Soap Wrappers with full coating & Registered Hot melt coating.<br><br>Paper based packing material<br><br>Flexible Packing. |  |
| **Extrusion Coated Lamination**<br><br>Soap Stiffners of various GSMs<br><br>Sandwich Lamination Products |  |

**LOCATION**

| Location | Total Area | Usage Purpose |
|---|---|---|
| Plot No. 235, Industrial Area Phase- 2, Panchkula, Haryana | 1000 Square Meteres | ➢ **Registered office and Manufacturing facilities Unit – I.**<br>✓ Manufacturing of Easy Release/Soap Banding tape,<br>✓ Promotional/Advertising Shelf Strip Tapes,<br>✓ Clear/Printed Bopp Tape,<br>✓ Masking / Speciality Tape,<br>✓ Laminated Products |
| Survey No. 1, Vill Mahuvad, Padra Vadodra-391440 Gujarat | 6421 Square meter | ➢ **Manufacturing facilities Unit – II**<br>✓ Corrugated Box<br>✓ Sleeve Roll, Tray & Sheets |

**Our Subsidiary M/s. Satguru Engravures Plant Location**

| Location | Total Area | Usage Purpose |
|---|---|---|
| Khasra No. 619/489, Village Koundi, Tehsil Baddi, Distt. Solan, Himachal Pradesh<br>And<br>Khasra No. 487, Village Koundi, Tehsil Baddi, Distt. Solan, Himachal Pradesh | 2,790 Sqr Mtr | ➢ **Manufacturing and sale of :**<br>✓ Soap Stiffners,<br>✓ Soap Wrappers,<br>✓ Banding BOPP Tapes, Laminates |

## OUR COMPETITIVE STRENGTHS

### 1. Experienced Promoters management team

Our promoters have been actively involved in the business from continues personal attention. The combined experience of our promoters is of more than 50 years. Further, our management has adequate and rich experience in our line of business. We believe that experience and their understanding of our industry will enable us to continue to take advantage of both current and future market opportunities. Our Company is having a number of experienced staffs. There is a good communication system between all the levels of management level i.e. from top level management to bottom level. Our Management's experience and knowledge enables us to identify new opportunities, rapid respond to market conditions, and enhances the growth in the business.

### 2. Long term relationship with MNC's Customers

We have long term relationship with our customers especially MNC's like Vodafone Idea, Patanjali Ayurvedic Limited, Crompton Greaves Consumer Electrical Limited, Godrej, Phonepey, ITC, Amul, etc. Our Company believes that business is a by-product of relationship. The business model is based on client relationships that are established over period of time rather than a project-based execution approach. Our Company believes that a long-term client relationship with large clients fetches better dividends. Long-term relations are built on trust and continuous maintaining of the requirements of the customers. It forms basis of further expansion for our Company, as we are able to monitor a potential product/ market closely.

### 3. Infrastructure and Integrated capabilities to deliver quality Products

We are in requirement of new machinery and we need to be updated with the new technology, with our updated staff members and customer demand we do updation as and when required. Our aim is to continuously earn customer's trust and confidence through personal attention, and hence the output of the product as per customer requirement is the foremost thing which shall be considered and attended through technology mode. We believe in providing quality products to our customers. We are devoted to quality assurance. The quality checks ensure that no defective products reached the customer and ensure reduced process rejection. We believe that our quality products have earned us a goodwill from our customers, which has resulted in customer retention and order repetition also new addition to the customer base. Further, Our Company is ISO 9001:2015, 45001:2018 certified company. We provide products with competitive rates. We have developed internal procedure of checking the products at each stage of production right from receipt of raw material to dispatch of our products. Our Company focuses on consistently delivering qualitative products, thereby building customer loyalty for our product.

### 4. Provide customized packaging solution as per client requirements

We have high level of knowledge about the needs of customers, resulting from continuous two -way communication between our representatives and customers. We have been engaged in the business by providing customized product as per the respective requirement of the customer. The wide variety of products enables us to cater our customer taste and preference. Also, we have well established systems and procedures for staffing and the implementation of current and long term objectives so we will able to market our products more effectively.

## SWOT ANALYSIS




## OUR BUSINESS STRATEGY

### 1. Optimal Utilization of Resources

Our company constantly endeavours to improve our production process, skill up gradation of workers, modernization of plant and machineries to optimize the utilization of resources. We regularly analyse our material procurement policy and manufacturing process to de-bottle neck the grey areas and take corrective measures for smooth and efficient working thereby putting resources to optimal use.

### 2. Quality Assurance

Our Company is dedicated towards quality of our products which has helped us to maintain long term relations with our customers and has also facilitated us to entrench with new customers. Our Quality Assurance department ensures our products comply with quality standards. We perform tests and inspections on finished products and then supply them to the customers. Each consignment from our company is passed through tests and inspections as a part of our commitment to quality.

### 3. Expand Product Portfolio

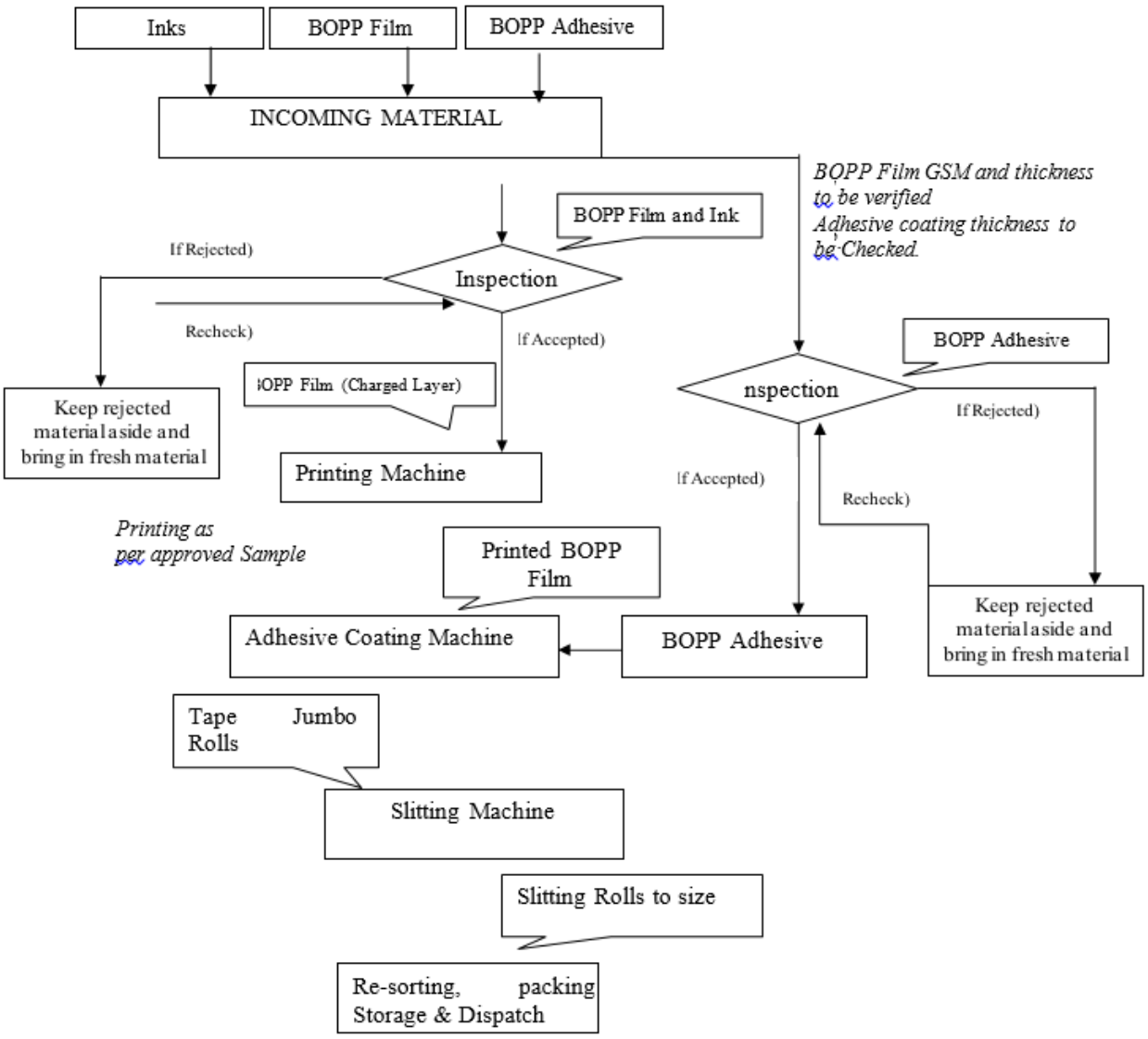
Our Company has a varied product base to cater to the requirements of our customers. Our Product Portfolio includes diversified variety of which are customized corrugated box packing, printing on corrugated box which are used in various industries. Our products which include Easy Release Tapes/Soap Banding Tapes, Self Adhesive BOPP Tapes, Plain/Printed BOPP Tapes, Printed BOPP Tapes, Masking Tapes, Medical Tapes, Tamper Evident Tapes, Surface Protection Tapes, Siliconized Tapes, Promotional BOPP Tapes, Dry Lamination + Extrusion Lamination, Extrusion Coated Lamination are widely used majorly in all type of Industry/Sector. Our range of products allows our existing customers to source most of their product requirements from a single vendor and also enables us to expand our business from existing customers, as well as address a larger base of potential new customers.

### 4. To set up new Project at Baddi

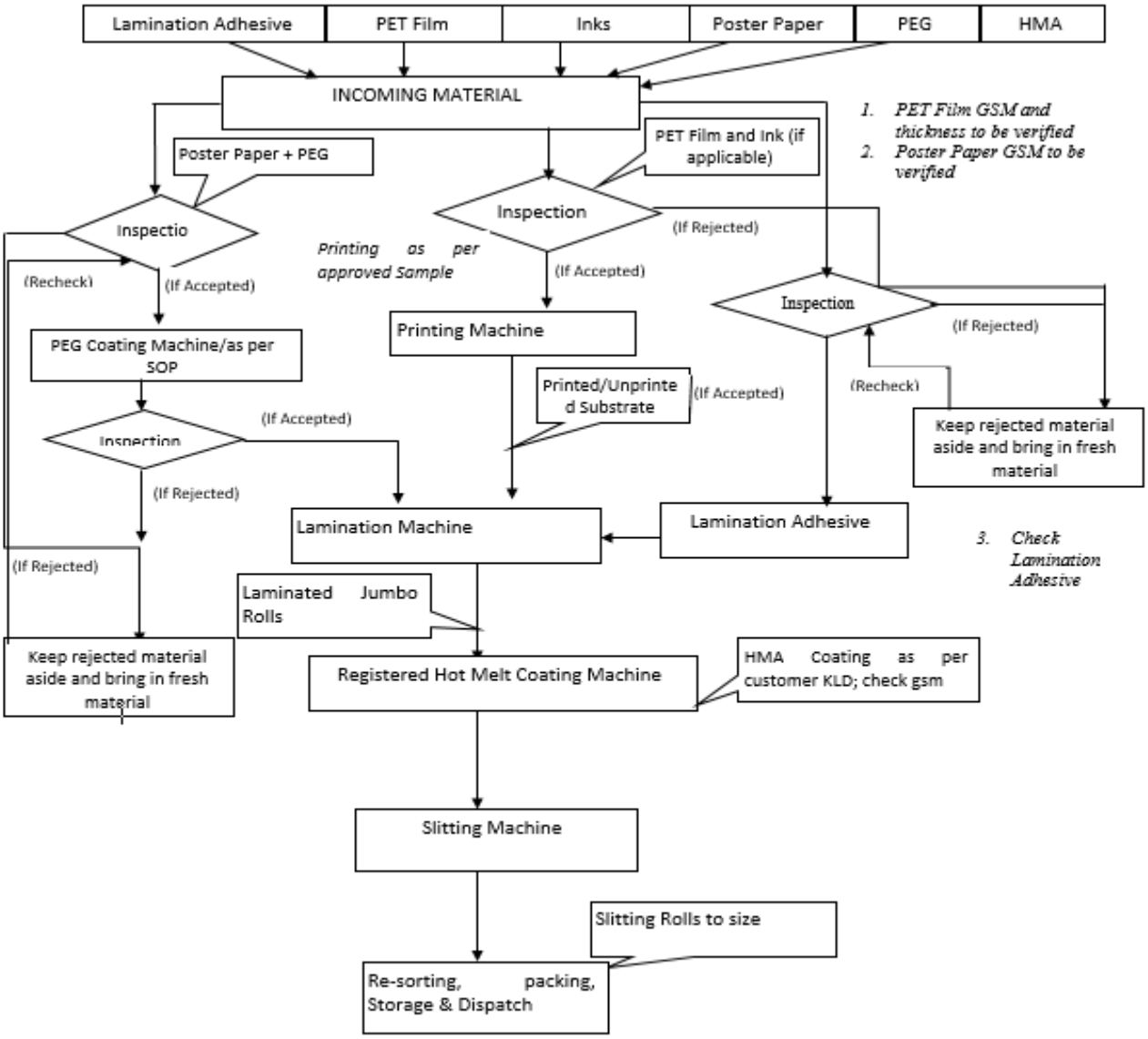
At present, our unit I is set up and located in Panchkula at Haryana having installed capacity of manufacturing of Easy Release/Soap Banding Tape, Clear/Printed Bopp Tape, Laminated Products, Promotional/ Advertising Shelf Strip Tapes of 800, 600, 350, 120 and 100 MT per annum respectively. Our company's Unit II at Vadodra in Gujarat having installed

capacity of manufacturing Corrugated boxes and Sleeve roll, Tray and Sheet of 1800 MT per annum and 3600 MT per annum respectively. We are proposing to commence manufacturing facilities at Baddi in Himachal Pradesh for manufacturing of Clear/Printed Bopp Tape, Masking/specialty tapes and Laminated Products. We are also proposing to installed machinery at Vadodara (Unit II) for manufacturing of Clear/Printed Bopp Tape, Masking/specialty tapes and Laminated Products.

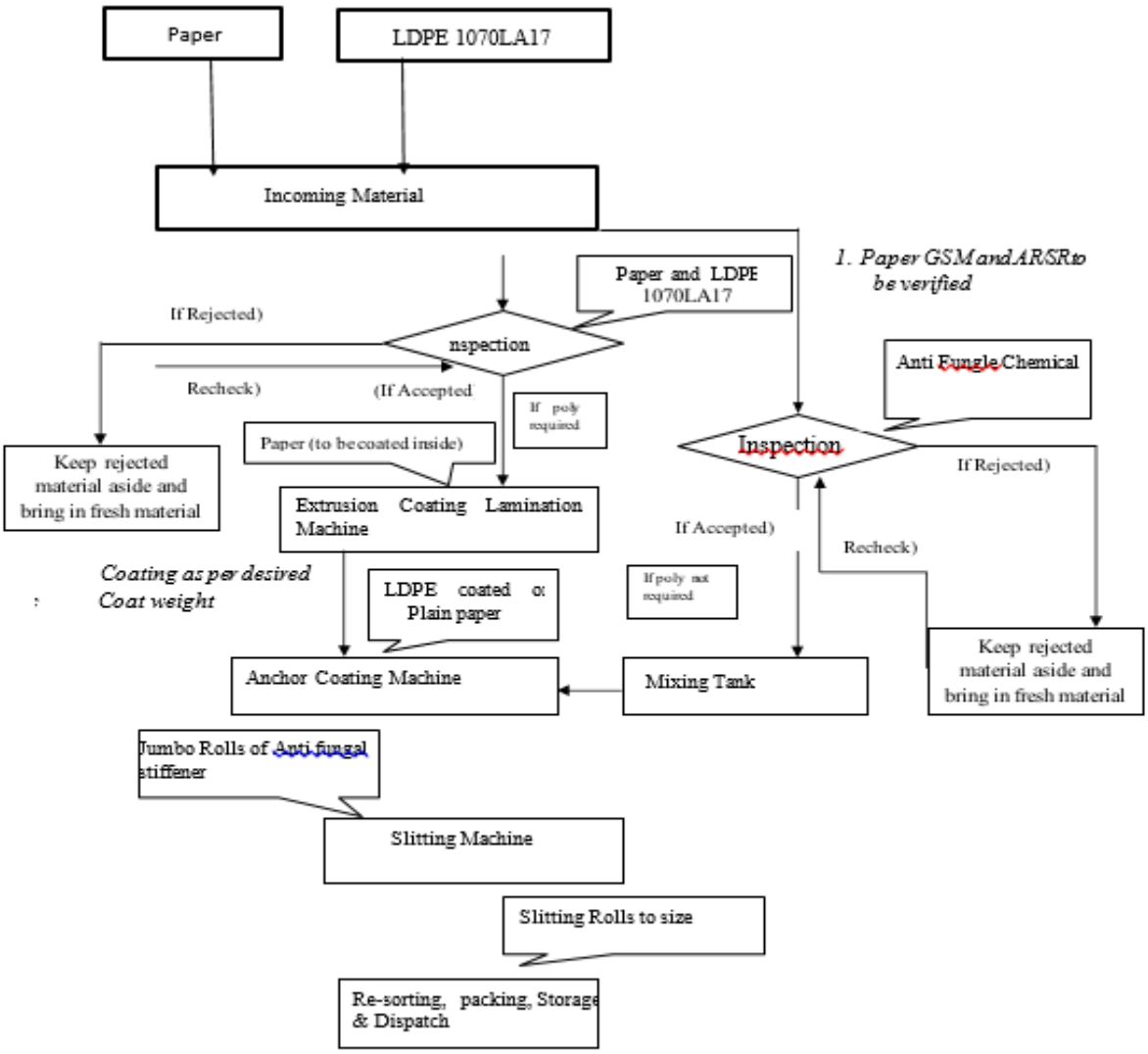
**PROCESS FLOW CHART OF BOPP TAPE**



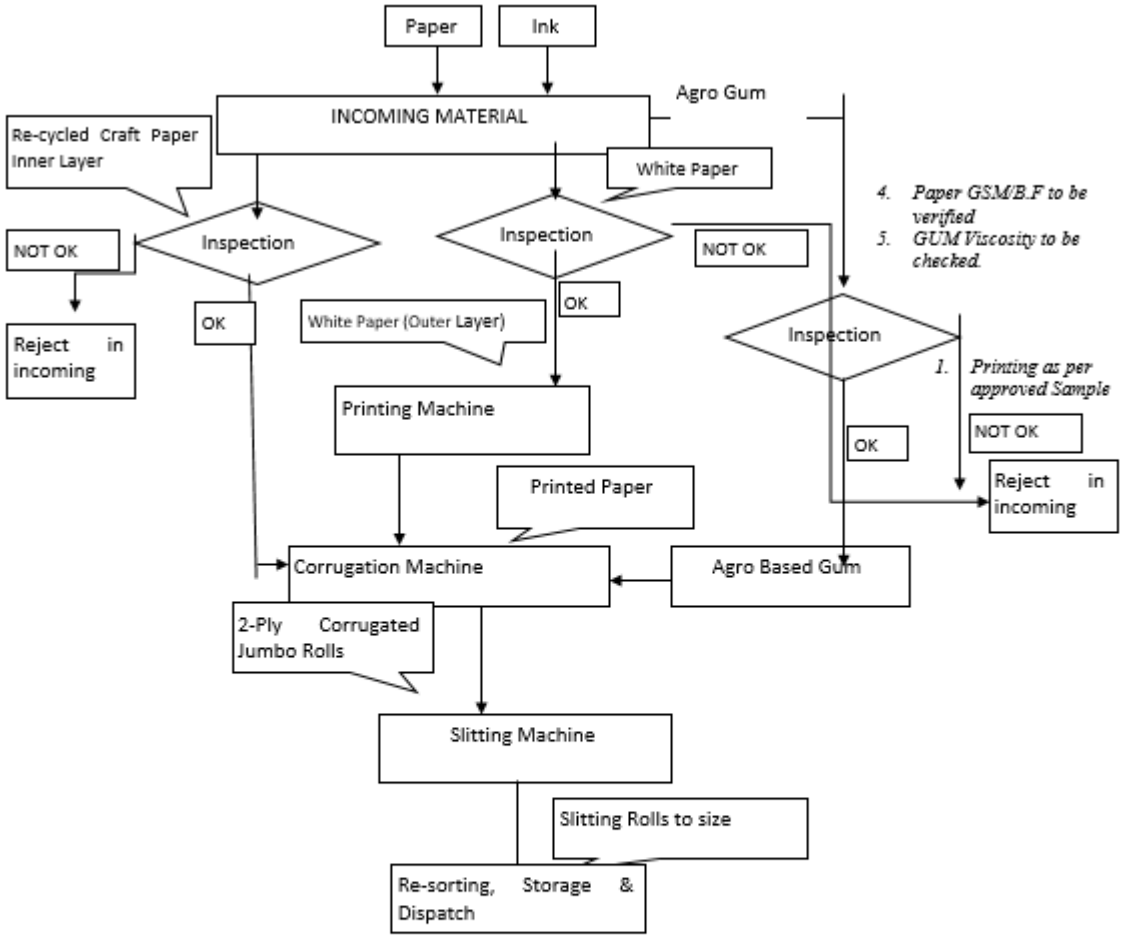
**Manufacturing Process- Soap Wrapper**



**Manufacturing Process- Extrusion Coating Laminated paper**



**Manufacturing Process – Sleeve Rolls**

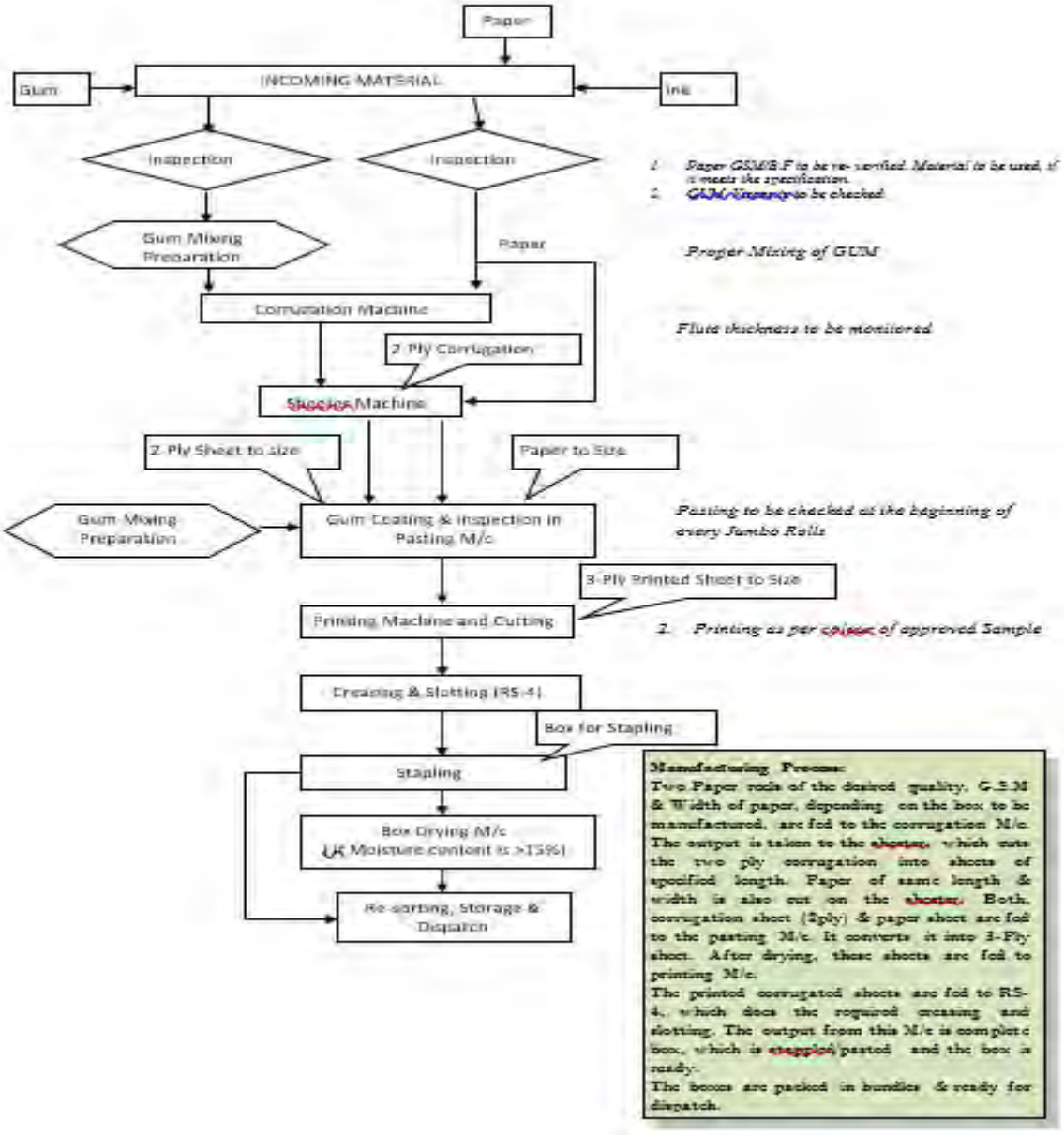



**Manufacturing process (Sleeve Rolls):**

The White Paper is printed on Rotary Machine to the desired design and specifications. This along with re-cycled Kraft paper & Gum is fed to the corrugation M/c. The jumbo Rolls of desired thickness & specifications are made. Then the Jumbo Rolls are cut to desired width & length of small rolls. The rolls are resorted & ready for dispatch

www.dkenterprises.co.in

**Manufacturing Process – Corrugated Boxes**




## CAPACITY AND CAPACITY UTILIZATION

We are having manufacturing and processing unit at Plot No. 235, Industrial Area Phase- 2, Panchkula, Haryana and at Survey No. 1, Vill Mahuvad, Padra Vadodra-391440 Gujarat for manufacturing of paper based packing, self Adhesive BOPP Tapes and Laminated Pouches and products. The details of installed and capacity utilization product wise is given here below table:

| Name of Products | FY 2018-19 | FY 2019-20 | FY 2020-21 |
|---|---|---|---|

| | No. of Units Manufactured (M.T per Annum) | Installed Capacity No. of Units (M.T per Annum) | % of Installed Capacity | No. of Units Manufactured (M.T per Annum) | Installed Capacity No. of Units (M.T per Annum | % of Installed Capacity | No. of Units Manufactured (M.T per Annum) | Installed Capacity No. of Units (M.T per Annum) | % of Installed Capacity |
|---|---|---|---|---|---|---|---|---|---|
| **Panchkula (Unit – I)** | | | | | | | | | |
| Easy Release/Soap Banding Tape | NA | NA | NA | 401.49 | 800 | 50 | 508 | 800 | 63% |
| Clear/Printed Bopp Tape | NA | NA | NA | 187.38 | 600 | 31 | 448 | 600 | 75% |
| Laminated Products | NA | NA | NA | 221.45 | 350 | 63 | 259 | 350 | 74% |
| Promotional/ Advertising Shelf Strip Tapes | NA | NA | NA | 65.55 | 120 | 55 | 73 | 120 | 61% |
| MASKING | NA | NA | NA | 14.65 | 100 | 15 | 32 | 100 | 32% |
| **Vadodara (Unit II)** | | | | | | | | | |
| Corrugated Box | NA | NA | NA | 1233.09 | 1800 | 69 | 1108 | 1800 | 62 |
| Sleeve Roll, Tray & Sheets | NA | NA | NA | 1786.60 | 3600 | 50 | 2125 | 3600 | 59 |

**Note:** a) In the financial year 2019-20, our manufacturing facilities at Panchkula (Unit I) and Vadodara (Unit II) were operative for 10.5 months, as our company had acquired the running business of D.K. Enterprises (including all its movable assets, current assets and liabilities of manufacturing facilities of Panchkula and Vadodara) in terms of agreement dated May 15, 2019. The capacity utilization for the financial year 2019-20 is not capitalized, where as installed capacity is considered for the full financial year.

## PLANT & MACHINERY

Our manufacturing units are equipped with requisite plant and machinery like Roto Gravure Printing, Lamination and Coating, Tape Coating Machine, Tape Slitter, Tape Shaft Rewinder, Tape Slicer, Automatic Packing Machine, Rewinding Machine for Tape, 3 Bar Rotary, Sheeter (PIB), Sheet Printing Flexo Machine, Corrugation Machine (B-Flute), Box Stitching Machine, Roll Slitting Machine, Semi Automatic Flute Laminator, Die Punching Machine, RS4 Slotting Machine.

## TECHNOLOGY

Our Company works with a number of niche technologies that are presently available with few convertors across the country. These include siliconized self-adhesive products, removable adhesive (no residue/clean removal), tamper evident tapes, UV adhesion promotion coatings, etc.

## COLLABORATIONS, ANY PERFORMANCE GUARANTEE OR ASSISTANCE IN MARKETING BY THE COLLABORATORS

Our Company has not entered into any collaboration, or Performance guarantee or assistance for marketing with any Company.

## MARKETING AND DISTRIBUTION ARRANGEMENT

Our success lies in the strength of our relationship with our customers who have been associated with us for reasonable continues period. Our Promoter Directors through their experience and good relations with customers owing to timely and quality delivery of products plays an instrumental role in creating and expanding a work platform for our Company.

We are engaged in the manufacturing of paper-based packaging, self-adhesive BOPP tapes, soap banding tapes, laminated pouches, extrusion coated lamination and dry laminations. One of the directors Mr. Dhruv Rakesh is directly managing the marketing segment, which includes cold callings, references and relationship to market the products efficiently. The management and promoters strive hard to maintain their standards and excellence in service to meet maximum customer contentment.

Presently, Company mainly focuses on B2B trading, currently drop-shipping to MNC's like HUL, Godrej, PhonePe, Amul, Crompton, Greaves, ITC, Vodafone idea, Patanjali etc. Company have been enjoying long-term association with many of our customers getting orders repeatedly. Company have created their own brand for masking tape in the name of SANKYO which have huge demand and collected by distributors from our doorstep. Company delivers our goods and services to PAN India, majorly covering Gujarat, Uttarakhand, Himachal Pradesh, Maharashtra, Tamil Nadu, Pondicherry, Madhya Pradesh and various other states. We also export our products to Srilanka directly.

Customer satisfaction and the zeal to develop new products keep us going and growing. Promoters continuously work to provide timely delivery of products with superior quality at marked-down prices. Promoters strongly believe in accompanying our customers from selecting the design of the product to the final delivery stage.

## END USERS

The product manufactured by us is mainly used in packing industry which is used by all industrial and commercial packaging units.

## COMPETITION

We operate in a highly competitive market and there are large numbers of players in organized sector. We operate in the competitive environment; price is the main factor in most cases for client making decision to have our products. We may face competition from our peers who have similar one or more division of our business. Competition emerges not only from small but also from big regional and National and international players. Our experience in this business has enabled us to provide quality products in response to customer‘s demand for best quality. Moreover, there are minimal entry barriers in this industry and any expansion in capacity of existing producers would further intensify competition.

## UTILITIES AND INFRASTRUCTURE FACILITIES LIKE RAW MATERIAL, WATER ETC.

## RAW MATERIAL

Our major raw material is Kraft Paper, Adhesive, Stiching Wire, Paper Core, Printing Ink, Biaxially Oriented Poly Propylene Films (BOPP FILM), Paste etc. Raw material are procured from Panchkula, Mohali, Haryana, Delhi, Punjab, Ludhiana and Uttrakhand.

## UTILITIES AND INWATER

Our manufacturing units does not require water in processing/manufacturing process. Water is required for normal human consumption which is provided by Haryana Shahri Vikas Pradhikara for our unit located at Panchkula and for our unit located at Vadodara water requirements are suffice by Borewell.

## POWER

We require power supply for processing of our products and to meet our requirement, we have been sufficient sanctioned load for Units located at Panchkula from UHBVN (Uttar Haryana Bijli Vitran Nigam), Genset (Generating Set), Solar Plant and for units located at Vadodara from MGVCL (Madhya Gujarat Vij Company Limited), Solar Plant.

## PACKING

As our company is engaged in paper based packing, consequently, our products are packed in our packing material manufactured in house. A small machine is used to pack our products in corrugated boxes.

## HUMAN RESOURCES

Human resource is an asset to any industry. We believe that our employees are the key to the success of our business. Our manpower is a prudent mix of experienced and young personnel which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to

successfully implement our growth plans. As on June 30, 2021, we have the total strength of 40 and 24 Employees including contract Labours at Panchkula (Unit I) and Vadodara (Unit II) respectively.

| Sr. No. | Particulars | Employees |
|---|---|---|
| 1. | Finance | 5 |
| 2. | Administration | 4 |
| 3. | Production Manager | 5 |
| 4. | Skilled and Semi Skilled | 50 |
| | **Total** | **64** |

Further, we have not experienced any strikes, work stoppages, labor disputes or actions by or with our employees, and we have cordial relationship with our employees.

## LOGISTIC

We exclusively rely on third party transporters for delivery of our products to our customers and also for procurement of Raw Materials from suppliers.

## DETAILS OF IMMOVABLE PROPERTY

The Details of the immobile property taken on lease basis is given here below:

| Sr. No. | Name of Lessor | Name of Lessee | Description of Property | Area | Usage Purpose | Rent | Tenure |
|---|---|---|---|---|---|---|---|
| 1. | Mrs. Rekha Bansal | D.K. Enterprises Global Limited | Plot No. 235, Industrial Area Phase- 2, Panchkula, Haryana | 1000 Square Meters | Registered office and manufacturing facilities<br><br>Unit – I | Rs.1,20,000/- (Rupees One Lakh Twenty Thousand Only) Per Month plus GST. | July 29, 2021 to June 28, 2022 |
| 2. | Mrs. Rekha Bansal | D.K. Enterprises Global Limited | Survey/Block/Plot No. 1, Vill Mahuvad, Padra Vadodra-391440 Gujarat | 6421 Square meter | Manufacturing facilities<br><br>Unit – II | Rs.1,20,000/- (Rupees One Lakh Twenty Thousand Only) Per Month plus GST. | July 29, 2021 to June 28, 2022 |
| 3. | Mr. Dhruv Rakesh | D.K. Enterprises Global Limited | Salasar Enclave, Guru Nanak Colony, Vijay Morthikri, Sub-Tehsil Zirakpur, Dist. SAS Nagar Punjab | 325 Square Yard | Warehouse | Rs. 40,000 (Rupees Forty Thousand Only) Per Month. | February 01, 2020 to January 31, 2025 |

## DETAILS OF INTELLECTUAL PROPERTY

The details of intellectual property are as under:

| Sr. No. | Trademark | Trademark Type | Class | Trademark No. | Date of Issuance | Valid Upto |
|---|---|---|---|---|---|---|
| 1. | sankyo | Device | 17 | 3692970 | December 02, 2017 | December 1, 2027 |

Mrs. Rekha Bansal is owner of the trademark, which she has assigned through on lease basis for a period of 5 years upto July 29, 2026 though trademark license agreement dated July 30, 2021. Our company is required to pay license fees of ₹ 50,000 per annum.

## DETAILS OF INDEBTEDNESS

The details of facilities avail from Banks are as follows and for details of other indebtedness please refer the Annexure A.4.1 of Restated financials statement appearing on page no. 144 of Draft prospectus.

| Sr. No. | Name of Bank | Sanction Amount | Purpose | Amount o/s as on March 31, 2021 (₹ In Lakhs) | Interest / Commission Rate per annum | Security/Margin | Period & Repayment Schedule |
|---|---|---|---|---|---|---|---|
| **1.** | **Canara Bank** | ₹ 2,75,00,000 | Cash credit | 127.79 | One Year MCLR 8.40%(now) + 2.75%=11.15% p.a | Primary:<br><br>Stock and Book debts-100%<br><br>Entire Plant and machinery of Unit I and II – Value ₹ 277.71 lacs.<br><br>Collateral Security<br><br>1) Continuing EMT of Commercial property having market value of Rs. 497.56 Lakhs situated at Plot No.235, Industrial Area, Phase II, Panchkula measuring of 1000 Sq. Mt in the name of Mrs. Rekha Bansal (Proprietor).<br><br>2) Continuing EMT of Commercial property having market value of Rs. 87.98 lakhs situated at Khewat/ Khatoni 106/122, Khasra, no 619/489, Hadbast 180, village, Koundi, Tehsil Baddi, District Solan, Himachal Pradesh in the name of M/s. Satguru Engravures<br><br>3) Continuing EMT of DSS booth no. 8, Market-4 (Double Story) of Block 6, marla, admeasuring 360.00Sq.ft in Amravati Enclave near Panchkula measuring 28 Sq | Working capital to be repayable on demanded and term loan as per Repayment Schedule. |

| Sr. No. | Name of Bank | Sanction Amount | Purpose | Amount o/s as on March 31, 2021 (₹ In Lakhs) | Interest / Commission Rate per annum | Security/Margin | Period & Repayment Schedule |
|---|---|---|---|---|---|---|---|
| | | | | | | Yds. having valuation of Rs. 34.60 Lakhs Stands in the names of Smt. Rekha Bansal.<br><br>4) Fresh Emt, of Land measuring 1 Bigha 17 biswa comprised in Hadbast no,181, khasra no. 487 Situated in Vill Kaundi, The-Baddi, Dis-Salon, Himachal Pradesh. (Rs. 75.00 Lakhs as per agreement to sale executed on 11.07.2019 (to be mortgaged after execution of sale deed).<br><br>Personal Guarantees given by Shri Rakesh Kumar, Smt. Rekha Bansal, Shree Dhruv Rakesh, M/S. Satguru Engravures. | |
| **2.** | **Canara Bank** | a) Working Capital Demanded Loan ₹ 27,50,000 | To Meet liquidity mismatches arising out of COVID-19 Outbreak | 21.39 | 8.05% (RLLR+0.75) | Primary: Stock of Rs. 381.92 lacs<br><br>Book Debts: 445.67 lacs as on February 28, 2020<br><br>Collateral Security:<br><br>1) Continuing EMT of Commercial property having market value of Rs. 497.56 Lakhs situated at Plot No.235, Industrial Area, Phase II, Panchkula measuring of 1000 Sq. Mt in the name of Mrs. Rekha Bansal (Proprietor) | 24 Months and Moratorium of 6 months.<br><br>A Moratorium of 6 months from the date of disbursement is provided thereafter repayment in 18 equal monthly installments of Rs. 1,52,778/- |

| Sr. No. | Name of Bank | Sanction Amount | Purpose | Amount o/s as on March 31, 2021 (₹ In Lakhs) | Interest / Commission Rate per annum | Security/Margin | Period & Repayment Schedule |
|---|---|---|---|---|---|---|---|
| | | | | | | 2) Continuing EMT of Commercial property having market value of Rs. 87.98 lakhs situated at Khewat/Khatoni 106/122, Khasra, no 619/489, Hadbast 180, village, Koundi, Tehsil Baddi, District Solan, Himachal Pradesh in the name of M/s. Satguru Engravures<br><br>3) Continuing EMT of DSS booth no. 8, Market-4 (Double Story) of Block 6, marla, admeasuring 360.00Sq.ft in Amravati Enclave near Panchkula measuring 28 Sq Yds. having valuation of Rs. 34.60 Lakhs Stands in the names of Smt. Rekha Bansal<br><br>4) Fresh Emt, of Land measuring 1 Bigha 17 biswa comprised in Hadbast no,181, khasra no. 487 Situated in Vill Kaundi, The-Baddi, Dis-Salon, Himachal Pradesh. (Rs. 75.00 Lakhs as per agreement to sale executed on 11.07.2019 (to be mortgaged after execution of sale deed)<br><br>Personal Guarantees given by Shri Rakesh Kumar, Smt. Rekha Bansal, Shree Dhruv Rakesh, M/S. Satguru Engravures. | |

| Sr. No. | Name of Bank | Sanction Amount | Purpose | Amount o/s as on March 31, 2021 (₹ In Lakhs) | Interest / Commission Rate per annum | Security/Margin | Period & Repayment Schedule |
|---|---|---|---|---|---|---|---|
| **3.** | **Canara Bank** | ₹ 16,20,000 | Working Capital Term Loan under GECL Scheme to meet liquidity mismatch arising out of Covid-19 outbreak | 16.20 | 7.50% (RLLR+0.60) - Current RLLR being 6.90% | 1) Primary Security<br><br>For Working capital Limits<br><br>Stock & Book debts of the Company (Unit I & Unit II) Stock of Rs. 389.80 Lakhs and Book debts of Rs. 422.37 Lakhs.<br><br>For Term Loan<br><br>Entire Plant and machinery of Unit I and Unit II (Both Existing as well as future)<br><br>Collateral for Working Capital and Term Loan<br><br>1) Continuing EMT of Commercial property having market value of Rs. 497.56 Lakhs situated at Plot No.235, Industrial Area, Phase II, Panchkula measuring of 1000 Sq. Mt in the name of Mrs. Rekha Bansal (Proprietor)<br><br>2) Continuing EMT of Commercial property having market value of Rs. 87.98 lakhs situated at Khewat/Khatoni 106/122, Khasra, no 619/489, Hadbast 180, village, Koundi, Tehsil Baddi, District Solan, Himachal Pradesh in the name | 12 months moratorium from the date of disbursement and 36 Equal Monthly Installments of Rs. 45,000 |

| Sr. No. | Name of Bank | Sanction Amount | Purpose | Amount o/s as on March 31, 2021 (₹ In Lakhs) | Interest / Commission Rate per annum | Security/Margin | Period & Repayment Schedule |
|---|---|---|---|---|---|---|---|
| | | | | | | of M/s. Satguru Engravures<br><br>3) Continuing EMT of DSS booth no. 8, Market-4 (Double Story) of Block 6, marla, admeasuring 360.00Sq.ft in Amravati Enclave near Panchkula measuring 28 Sq Yds. having valuation of Rs. 34.60 Lakhs Stands in the names of Smt. Rekha Bansal<br><br>4) Fresh Emt, of Land measuring 1 Bigha 17 biswa comprised in Hadbast no,181, khasra no. 487 Situated in Vill Kaundi, The-Baddi, Dis-Salon, Himachal Pradesh. (Rs. 75.00 Lakhs as per agreement to sale executed on 11.07.2019 (to be mortgaged after execution of sale deed)<br><br>Personal Guarantees given by Shri Rakesh Kumar, Smt. Rekha Bansal, Shree Dhruv Rakesh and Miss Kanika Rakesh<br><br>Corporate Guarantees of M/s. Satguru Engravures | |

For further details of financial indebtedness please refer Annexure A.4.1 of restated standalone financial statement and restated consolidated financial statement appearing on page no.144 of this Draft Prospectus.

## INSURANCE

Presently, our Company has taken following Insurance Policy to insure its Assets.

| Sr. No. | Name of the Insurance Company | Name of the Insured | Type of policy | Validity Period | Description of cover under the policy | Policy No. | Sum Assured (₹ in Lakh) | Premium Paid (in ₹) |
|---|---|---|---|---|---|---|---|---|
| 1. | United India Insurance Company Limted | Dk Enterprises Global Limited - Panchkula Unit | Marine Cargo Open Policy | September 27,2020 to September 26,2021 | On the risks of consignments said to contain all kinds of finished goods such as BOPP Tapes, Banding Tapes, Promotional Tapes, Masking Tapes, Tissue Tapes, Heat Sealable films, All kinds of Flow Wraps, laminates & other similar nature of stocks pertaining to the insured as trade | 1102002120P106941663 | ₹ 38,00,00,000/-( Thirty Eight Crore Only) | ₹ 56,051/- Fifty Six Thousand Fifty One Only) |
| 2. | United India Insurance Company Limted | Dk Enterprises Global Limited Salasar, Mohali, Punjab | STANDARD FIRE AND SPECIAL PERILS POLICY | October 19, 2020 to October 18, 2021 | Material pertaining to the insured trade including paper, adhesives, ink, films, printing rollers whilst stored &/or lying &/or kept at above said address, belonging to the above mentioned insured, built of non kutcha construction being used as godown | 1102001120P108120590 | ₹ 1,00,00,000 (One Crore Only) | ₹ 18,644 (Eighteen Thousand Six Hundred and Forty Four Only) |
| 3. | United India Insurance Company Limited | Dk Enterprises Global Limited | Burglary Standard policy | October 19, 2020 to October 18, 2021 | Stock in Trade or Goods in the custody of the Insured - Other general goods | 1102001220P108120997 | ₹ 1,00,00,000/-(Rupees One crore only) | ₹ 3540 (Three Thousand Five Hundred Forty only) |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 4. | United India Insurance Company Limited | Dk Enterprises Global Limited-Unit-Vadodara | United Bharat Sooksh ma Udyam Suraks ha Policy | May 16, 2021 to May 15, 2022 | Floater Cover(Stock of all description) | 1102001121P101476764 | ₹ 15,00,0000( Rupees Fifteen Lakhs only) Plant and Machiner ₹20,00,000( Rupees Twenty lakhs only) Cardboard Box Manufacturing | ₹ 82,600( Rupees Eighty Two Thousand Six Hundred Only) |
| 5. | United India Insurance Company Limited | Dk Enterprises Global Limited-Unit-Vadodara | Burglary Standard policy | May 16, 2021 to May 15, 2022 | To extent of ₹2,00,00,000/- on the risk of entire stocks of raw material including paper, films, adhesives, inks, finished & semi-finished stocks including Self-adhesive tapes, laminates, corrugated boxes, card board boxes, Rolls, Packing material, stocks in process & other similar nature of stocks Lying &/or stored &/or kept at above address | 1102001221P101478025 | ₹2,00,00,000 (Rupees Two Crores only) | ₹ 2950 (Two Thousand Nine Hundred Fifty only) |

## EXPORTS & EXPORTS OBLIGATIONS

As on the date of this Draft Prospectus, our Company does not have any Export Obligation.

As on date we export directly to Srilanka. For the details of Export Sales of our Company, please refer to "Annexure – K under the Chapter titled "RESTATED FINANCIAL INFORMATION" on Page no. 159 of this Draft Prospectus.

## KEY INDUSTRY REGULATIONS

*The statements produced below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions and may not be exhaustive, and are only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice. The information detailed in this Chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the respective local authorities that are available in the public domain.*

We are subject to a number of Central and State legislations which regulate substantive and procedural aspects of the business. Additionally, the business activities of our Company require sanctions, approval, license, registration etc. from the concerned authorities, under the relevant Central and State legislations and local bye-laws. For details of Government and Other Approvals obtained by the Company in compliance with different regulations, see section titled "GOVERNMENT APPROVALS" beginning on page no. 204 of this Draft Prospectus. The following description is a summary of the few relevant regulations and policies as prescribed by the Government of India, and the respective bye laws framed by the local bodies, and others incorporated under the laws of India.

### INDUSTRY SPECIFIC REGULATIONS

**The Factories Act, 1948**

The Factories Act defines a 'factory' to be any premises including the precincts thereof, on which on any day in the previous 12 months, 10 or more workers are or were working and in which a manufacturing process is being carried on or is ordinarily carried on with the aid of power; or where at least 20 workers are or were working on any day in the preceding 12 months and on which a manufacturing process is being carried on or is ordinarily carried on without the aid of power. State governments prescribe rules with respect to the prior submission of plans, their approval for the establishment of factories and the registration and licensing of factories.

The Factories Act provides that the 'occupier' of a factory (defined as the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors) shall ensure the health, safety and welfare of all workers while they are at work in the factory, especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers' health and safety, cleanliness and safe working conditions.

**Legal Metrology Act, 2009**

The Legal Metrology Act, 2009 ("L.M. Act") governs the standards/units/denominations used for weights and measures as well as for goods which are sold or distributed by weight, measure or number. It also states that any transaction/contract relating to goods/class of goods shall be as per the weight/measurement/numbers prescribed by the L.M. Act. Moreover, the L.M. Act prohibits any person from quoting any price, issuing a price list, cash memo or other document, in relation to goods or things, otherwise than in accordance with the provisions of the L.M. Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in the Rules made by each State. The Act also provides Legal Metrology (General) Rules, 2011, which may be followed for due compliance, if the respective State does not provide for Rules in this regard. State of Maharashtra has prescribed the Maharashtra Legal Metrology (Enforcement) Rules, 2011 for due compliance**.**

**Bureau of Indian Standards Act, 2016 (the "BIS Act")**

BIS Act was notified on March 22, 2016 and came into effect from October 12, 2017. The BIS Act establishes the Bureau of Indian Standards (BIS) as the National Standards Body of India. The BIS Act has enabling provisions for the Government to bring under compulsory certification regime any goods or article of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security. The BIS Act also allows multiple type of simplified conformity assessment schemes including self-declaration of conformity against a standard which will give simplified options to manufacturers to adhere to the standards and get certificate of conformity. The BIS Act enables the Central Government to appoint any authority/agency, in addition to the BIS, to verify the conformity of products and services to a standard and issue certificate of conformity. Further, there is also a provision for repair or recall, including product liability of the products bearing standard mark but not conforming to the relevant Indian Standard.

## LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED

### Haryana MSME Policy 2019

Vision Statement of Haryana MSME Policy, 2019 is creating globally competitive and locally relevant MSMEs in Haryana" with objective to promote balanced regional development through geographical dispersal of industry, to increase competitiveness of MSMEs through cluster development and adoption of quality manufacturing practices, Facility MSME in accessing domestic and export market, to provide conducive eco-system for promotion and growth of MSMEs in the thrust sectors of Haryana, to provide access finance to MSMEs, to promote entrepreneurship through startup and incubation support, to support revival of sick enterprise and to enhance competitiveness through ease of doing business.

To achieve the overall policy objectives, an enabling environment for MSMEs in the state needs to be created. In line with the objectives stated in the Haryana Enterprise Promotion Policy 2015 - ease of doing business, thrust sector growth, geographical dispersal of industries as well as the capacity building and promotional outreach; a holistic policy framework is being laid out. This policy also aligns itself with major national initiatives like Make in India, Skill India, Digital India and Start-up India and also takes cognizance of 'Ease of Doing Business' initiatives and reform measures taken by the Central and State Government.
Department will constitute a committee to review the impact of policy every 3 years to review and revise the policy to take into consideration the latest changes in the MSME Ecosystem.

### Himachal Pradesh Industrial Investment Policy, 2019

Vision statement of Himachal Pradesh Industrial Investment Policy, 2019 is "To create an enabling ecosystem to enhance the scale of economic development & employment opportunities; ensure sustainable development & balanced growth of industrial & service sectors to make Himachal as one of the preferred destination for investment".

Policy aims to create a congenial investment climate, to address issues impeding industrial growth and ensure Simplification, key physical and social infrastructure, human resource development, access to credit and market, promote Ease of Doing Business by digitization of all processes and to promote self-certification, promote MSME sector for uniform sustainable growth of service and industrial sector throughout the State promote start-ups and entrepreneurship to create and generate local entrepreneurial base, recognize and encourage the role of large investment to enhance the scale of economic development and uplift weaker sections of the society.

Policy provides various strategies to achieve objective envisaged as above such as streamlining the process, creating and up gradation of existing industrial infrastructure, ensuring the availability of quality power, by rationalizing the provisions of incentives, concessions and facilities, by focusing and providing an ideal eco system to boost startups & Entrepreneurship, by discouraging polluting industries to create a responsible eco-friendly environment

In Ease of Doing Business (EODB) ranking, the State has improved its implementation score from 65.48% to 94.13% in 2017-18 and also emerged as the fastest growing State in the EODB.

### Shops and Establishments Legislations

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. All industries have to be registered under the shops and establishments legislations of the state where they are located. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations.

## ENVIRONMENTAL LAWS

### National Environmental Policy, 2006

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.

### Environment (Protection) Act, 1986 as amended ("EPA")

EPA provides for the prevention, control and abatement of pollution. Pollution control boards have been constituted in all states in India to exercise the powers and perform the functions provided for under these statutes for the purpose of

preventing and controlling pollution. Companies are required to obtain consents of the relevant state pollution control boards for emissions and discharge of effluents into the environment.

**Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 as amended ("Hazardous Wastes Rules")**

The Hazardous Wastes Rules impose an obligation on every occupier of an establishment generating hazardous waste to recycle or reprocess or reuse such wastes in a registered recycler or to dispose of such hazardous wastes in an authorized disposal facility. Every person engaged, inter alia, in the generation, processing, treatment, package, storage and destruction of hazardous waste is required to obtain an authorization from the relevant state pollution control board for collecting, recycling, reprocessing, disposing, storing and treating the hazardous waste. The Environmental Impact Assessment Notification dated September 14, 2006 read with various notifications issued from time to time under the Environment Protection Act and the Environment (Protection) Rules, 1986, requires prior environmental clearance of the Ministry of Environment, Forest and Climate Change which impacts the environment in any manner.

**Noise Pollution (Regulation & Control) Rules 2000 ("Noise Regulation Rules")**

Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for noncompliance with the Noise Regulation Rules shall be under the provisions of the Environment (Protection) Act, 1986.

**Water (Prevention and Control of Pollution) Act, 1974**

The Water Act was enacted in 1974 in order to provide for the prevention and control of water pollution by factories and manufacturing industries and for maintaining or restoring the wholesomeness of water. In respect to an Industrial Undertaking it applies to the (i) Occupier (the owner and management of the undertaking) (ii) Outlet (iii) Pollution and (iv)Trade effluents. The Act requires that approvals be obtained from the corresponding Pollution Control Boards in the state.

**Water (Prevention and Control of Pollution) Cess Act, 1971**

The Water (Prevention and Control of Pollution) Cess Act, 1971 provides for the levy and collection of cess on water consumed by persons carrying on certain industries and by local authorities, with a view to augment the resources of the Central Board and the State Boards for the prevention and control of water pollution constituted under the Water (Prevention and Control of Pollution) Act, 1974.

**Air (Prevention and Control of Pollution) Act, 1981, as amended (the "Air Act")**

With a view to ensuring that the standards for emission of air pollutants are complied with, the State Government shall, in consultation with the State Board, give such instructions as may be deemed necessary to the concerned authority and such authority shall, notwithstanding anything contained in that Act or the rules made thereunder be bound to comply with such instructions.

**The Public Liability Insurance Act, 1991**

Public Liability Insurance Act, 1991 provides for public liability insurance for the purpose of providing immediate relief to the persons affected by accident occurring while handling any hazardous substance and for matters connected therewith or incidental thereto. It is the duty of the owner to take out one or more insurance policies providing for contracts of insurance whereby he is insured against liability to give relief.

**Plastic Waste Management Rules, 2016**

Under the Plastic Waste Management Rules, 2016, all institutional generators of plastic waste, are required to inter alia, segregate and store the waste generated by them in accordance with the Solid Waste Management Rules, 2016, 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.

**LABOUR LAWS**

**The Employees State Insurance Act, 1948 ("ESI Act")**

The "ESI Act", provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the

employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

**The Payment of Gratuity Act, 1972 ("Gratuity Act")**

The "Gratuity Act" establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and Railway Company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed Rs. 1 million.

**The Employees' Provident Funds and Miscellaneous Provisions Act, 1952("EPF Act")**

The "EPF Act" applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the Government of India from time to time. It requires all such establishments to be registered with the State provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees' provident fund the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State provident fund commissioner.

**Workmen's Compensation Act, 1923**

The employment of workers for the Company's business is regulated by various labour laws, rules and regulations including the Workmen Compensation Act, 1923. The Workmen Compensation Act, 1923 lays down for liability for compensation by an employer if a personal injury is caused to any workman during the course of his/her employment. Further, the Act provides for amount of compensation which the employer is obligated to pay in case of any injury where death, disablement is caused during the course of employment.

**Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment covered under this Act to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

**Equal Remuneration Act, 1976**

The Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers and for prevention of discrimination, on the ground of sex. It states that no employer shall pay to any worker, employed by him in an establishment or employment, remuneration, whether payable in cash or in kind, at rates less favourable than those at which remuneration is paid by him to the workers of the opposite sex in such establishment or employment for performing the same work or work of a similar nature.

**Minimum Wages Act, 1948 ("MWA Act")**

The Minimum Wages Act, 1948 gives power to appropriate government (Central or State) to fix minimum wages to be paid to the persons employed in scheduled or non-scheduled employment and the concerned employer is required to pay the minimum wages, fixed by the appropriate government. Such employer is also required to maintain registers and exhibits giving the particulars of wages paid to employees.

**Child Labour Prohibition and Regulation Act, 1986**

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes.

**Maternity Benefit Act, 1961**

The purpose of the Maternity Benefit Act, 1961 is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period during and after their pregnancy. It provides, inter alia, for paid leave of 12 weeks, payment of maternity benefits and enacts prohibitions on dismissal, reduction of wages paid to pregnant women, etc.

**Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001**

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

## STATUTORY LEGISLATIONS

**The Companies Act, 2013**

The consolidation and amendment in law relating to Companies Act, 1956 made a way to enactment of Companies Act, 2013. The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has vide its notification dated September 12, 2013 has notified 98 Sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. A further 183 Sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

The Companies Act primarily regulates the financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects including organizational and financial aspects of companies. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force.

## TAX RELATED LEGISLATIONS

**Income Tax Act, 1961**

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its "Residential Status" and "Type of Income" involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 30$^{th}$ September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Fringe Benefit Tax, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

**Goods and Service Tax (GST)**

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as the Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. A destination based consumption tax GST would be a dual GST with the center and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017, The Integrated Goods And Services Tax (Extension To Jammu And Kashmir) Act, 2017, The Central Goods And Services Tax (Extension To Jammu And Kashmir) Act, 2017 and various rules made there under.

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location. The registered assessee is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

GST has replaced the following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise – goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling. It is applicable on all goods except for alcohol for human consumption and five petroleum products.

Exports and supplies to SEZ units and SEZ developers are zero-rated in GST. Zero-rating effectively means that no tax is payable on exports but the exporter/supplier is entitled to the input tax credit on inputs/input services used in relation to exports. The exporters have two options for zero rating, which are as follows:
(1) To pay integrated tax on supplies meant to be exported and get refund of tax so paid after the supply is exported.
(2) To make export supplies under a bond or letter of undertaking and claim refund of taxes suffered on inputs and input services in relation to such exports.

**Customs Act, 1962 (the "Customs Act")**

The Customs Act governs among other things, the import and export of goods, determination of rate of duty, tariff valuation, the manner of payment to authorities, and loading and unloading of goods. The Customs Act also provides for levy of penalty and/or confiscation of prohibited or dutiable goods. The duties imposed on the import and export of goods are subject to rates specified under the Customs Tariff Act, 1975. Further, pursuant to the Customs Act, the Department of Customs appoints ports or airports as customs ports or customs airports and places as Inland Container Depots (ICDs).

## GENERAL LEGISLATIONS

**The Arbitration and Conciliation Act, 1996**

This act was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Act is to comprehensively cover international and commercial arbitration and conciliation as also domestic arbitration and conciliation, to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration, to provide that the arbitral tribunal gives reasons for its arbitral award, to ensure that the arbitral tribunal remains within the limits of its jurisdiction, to minimise the supervisory role of courts in the arbitral process, to permit an arbitral tribunal to use mediation, conciliation or other procedures during the arbitral proceedings to encourage settlement of disputes, to provide that every final arbitral award is enforced in the same manner as if it were a decree of the court, to provide that a settlement agreement reached by the parties as a result of conciliation proceedings will have the same status and effect as an arbitral award on agreed terms on the substance of the dispute rendered by an arbitral tribunal and to provide that, for purposes of enforcement of foreign awards, every arbitral award made in a country to which one of the two International Conventions relating to foreign arbitral awards to which India is a party applies, will be treated as a foreign award.

**The Competition Act, 2002**

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates "combinations" in India. The Competition Act also established the Competition Commission of India (the "CCI") as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds. There are also different thresholds for those categorized as Individuals and Group. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is Likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

**The Indian Contract Act, 1872**

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as 'void' or 'voidable'. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

**Transfer of Property Act, 1882 ("TP Act")**

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the TP Act. The TP Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter.

**The Indian Stamp Act, 1899**

Under the Indian Stamp Act, 1899, stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

**The Registration Act, 1908**

The Registration Act, 1908 was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Act is used for proper recording of transactions relating to other immovable property also. The 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 Specific Relief Act, 1963**

The Specific Relief Act, 1963 is complimentary to the provisions of the Contract Act and the Transfer of Property 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 purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. "Specific performance" means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other 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 cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour 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 year, or with fine which may extend to twice the amount of the cheque, or with both.

**Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWWPPR Act") provides for protection against sexual harassment at the workplace to women and prevention and redressal of complaints of sexual harassment. The SHWWPPR Act defines "Sexual Harassment" to include any unwelcome sexually determined behavior (whether directly or by implication). "Workplace" under the SHWWPPR Act has been defined widely to include government bodies, private and public sector organizations, non-governmental organizations, organizations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals. The SHWWPPR Act requires an employer to set up an "Internal Complaints Committee" at each office or branch, of an organization employing at least 10 employees. The Government in turn is required to set up a "Local Complaint Committee" at the district level to

investigate complaints regarding sexual harassment from establishments where our internal complaints committee has not been constituted.

**Foreign Exchange Management Act, 1999**

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations promulgated there under. The act aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

**Regulation of Foreign Investment in 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 FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has issued Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 and Central Government in exercise of its power under the FEMA, has made Foreign Exchange Management (Non-debt Instruments) Rules, 2019 to prohibit, restrict or regulate, transfer by or issue security to and from a person resident outside India.

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), has issued consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), which, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular.

## INTELLECTUAL PROPERTY LAWS

**The Trademarks Act, 1999 ("Trademarks Act")**

Under the Trademarks Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks ("the Registrar"), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

**The Copyright Act, 1957 ("Copyright Act")**

The Copyright Act governs copyrights subsisting in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings, including computer programmes, tables and compilations including computer databases.

Software, both in source and object code, constitutes a literary work under Indian law and is afforded copyright protection and the owner of such software becomes entitled to protect his works against unauthorised use and misappropriation of the copyrighted work or a substantial part thereof. Any such acts entitle the copyright owner to obtain relief from a court of law including injunction, damages and accounts of profits. Further, copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work and once registered, copyright protection remains valid until expiry of 60 years from the demise of the author. Reproduction of a copyrighted software for sale or hire or commercial rental, offer for sale or commercial rental, issuing copy(ies) of the computer programme or making an adaptation of the work without consent of the copyright owner amount to infringement of the copyright. However, the Copyright Act prescribes certain fair use exceptions which permit certain acts, which would otherwise be considered copyright infringement.

## OTHER APPLICABLE LAWS

**Other Laws**

In addition to the above, our Company, being corporate entity, is governed by all the statutes enacted in India and it requires to comply all such statutes to the extent applicable.

**Laws Applicable For Operations outside India**

Our Company operates in various jurisdictions, including through our Subsidiary. The relevant laws in these jurisdictions are applicable to our Subsidiaries, which relate to incorporation or registration as applicable, labour, immigration, intellectual property, data protection, and other business related laws.

# HISTORY AND CERTAIN CORPORATE MATTERS

## COMPANY'S BACKGROUND

Our Company was incorporated as "D.K. Enterprises Global Hub Limited" at Panchkula (Haryana) on February 26, 2019, under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Central Registration Centre. Subsequently name of our company was changed to "D.K. Enterprises Global Limited" on April 4, 2019 vide certificate of incorporation pursuant to change in name issued by Registrar of Companies, Delhi.

We are mainly engaged in manufacturing of Paper Based Packing Material, Self Adheshive Tapes (specialty tapes likes Masking, Siliconized, Medical and Surface protection Tapes), Laminated Products and flexible Packaging. Our Company is ISO 9001:2015, 45001:2018 certified company. We have been working almost exclusive with major multinational corporations in consumer space.

D.K. Enterprises, a proprietorship concern of Mrs. Rekha Bansal running its business since last two decades which was taken over by our company (including all its movable assets, current assets and liabilities of manufacturing facilities of Panchkula and Vadodara) at a total consideration of ₹ 200.00 Lakhs (including goodwill of Rs. 162079.48) in terms of agreement dated May 15, 2019 by issuing 20,00,000 Equity Shares of Rs. 10 each of our company to Mrs. Rekha Bansal.

Our company's registered office and manufacturing facilities Unit I is located in Panchkula at Haryana and Unit II at Vadodra in Gujarat. We are proposing to commence manufacturing facilities at Baddi in Himachal Pradesh for manufacturing of Clear/Printed Bopp Tape, Masking/specialty tapes and Laminated Products. We are also proposing to installed machinery at Vadodara (Unit II) for manufacturing of Clear/Printed Bopp Tape, Masking/specialty tapes and Laminated Products.

At present, our company is also holding 80% stake in partnership firm namely M/s. Satguru Engravures which is engaged in manufacturing and sale of Soap Stiffners, Soap Wrappers, Banding BOPP Tapes, Laminates etc. and its manufacturing facilities is located at Khasra No. 619/489, Village Koundi, Tehsil Baddi, Distt. Solan, Himachal Pradesh. Our company has invested ₹ 312.87 Lakhs (including share of profit to the extent of Rs. 75.87 Lakhs upto FY 2020-21) in M/s. Satguru Engravures. The turnover of M/s. Satguru Engravures is Rs. 2,666.36 Lakhs and profit after tax is Rs. 90.28 Lakhs for the financial year ended March 31, 2021.

Our Company has robust growth and improvement in top line and bottom line on standalone basis in the past Financials years which is explained below:

**(₹ In Lakhs)**

| Particulars | FY 2020-21 | FY 2019-20 | FY 2018-19 |
|---|---|---|---|
| Revenue from Operations | 4499.85 | 3297.39 | 0.00 |
| Other Income | 48.46 | 28.69 | 0.00 |
| Total Revenue | 4548.32 | 3326.08 | 0.00 |
| Profit Before Tax | 250.44 | 158.60 | 0.00 |
| Profit After Tax | 199.18 | 124.03 | - |

## REGISTERED OFFICE:

Registered Office of the Company is presently situated at Plot No-235 Industrial Area Phase-2 Panchkula Haryana 134109 India. The Registered office of our Company has not been changed since incorporation:

| Date of Change of Registered office | Registered Office | Reason |
|---|---|---|
| On Incorporation | Plot No-235 Industrial Area Phase-2 Panchkula Haryana 134109 India. | Not Applicable |

## KEY AWARDS, CERTIFICATIONS, ACCREDITATIONS AND RECOGNITIONS

**NIL**

## AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

**CHANGE OF NAME**

| Date of Approval | Particulars | Reason |
|---|---|---|
| On Incorporation | D.K.Enterprises Global Hub Limited | Not Applicable |
| March 20, 2019 | Name of our company changed from "D.K.Enterprises Global Hub Limited" to "D.K. Enterprises Global Limited". | In order to broad base the activities of the company and to enlarge the existing operations and to run the business more effectively, economically and efficiently and to make the name commensurate main object of the company. |

**CHANGES IN MAIN OBJECT OF THE COMPANY**

The following changes have been made in the main object of our Company since its inception

| Date of Approval | Particulars |
|---|---|
| On Incorporation | Manufacturing of packaging material |
| March 20, 2019 | 1) To carry on the business of Manufacturing of all types of primary & secondary packagings including paper corrugation, adhesive tapes like can bopp, banding, masking and other speciality tapes, extruded and other laminates for the soaps and food industry for sale in domestic as well as foreign territory. |
| December 31, 2020 | 1) Manufacturing of Packaging material<br>2) To carry on the business of manufacturing of all types of Primary and Secondary packaging Materials, including self adhesive tapes like BOPP, Banding, Masking and other speciality tapes, extrusion lamination and other laminated products for the soaps and food industry and corrugated rolls and boxes for sale in domestic as well as foreign markets. |

**AUTHORIZED CAPITAL**

The following changes have been made in the Authorized Capital of our Company since its inception:

| Date of Amendment | Particulars |
|---|---|
| On Incorporation | Authorized Capital of ₹ 5.00 Lakhs divided into 50000 Equity Shares of ₹ 10/- |
| May 14, 2019 | Increased in authorized capital from ₹ 5.00 Lakhs divided in to 50000 Equity Shares of ₹ 10/- each to ₹ 305.00 Lakhs divided in to 3050000 Equity Shares of ₹ 10/- each. |
| March 01, 2021 | Increased in authorized capital from ₹ 305.00 Lakhs divided in to 3050000 Equity Shares of ₹ 10/- each to ₹ 750.00 Lakhs divided in to 7500000 Equity Shares of ₹ 10/- each. |
| April 24, 2021 | Increased in authorized capital from ₹ 750.00 Lakhs divided in to 7500000 Equity Shares of ₹ 10/- each to ₹ 751.00 Lakhs divided in to 7510000 Equity Shares of ₹ 10/- each. |

## MAJOR EVENTS

There no major events in the company since its incorporation except as mentioned below.

| Year | Key Events/Milestone/ Achievement |
|---|---|
| 2019 | Incorporation of our company in the name of D.K.Enterprises Global Hub Limited |
| 2019 | Our company completed takeover of Packaging Business Undertaking of M/s. DK Enterprises, proprietor Mrs. Rekha Bansal, one of the promoter of our company. |
| 2019 | Acquisition of 51% Stake in Partnership Firm M/s Satguru Engravures |
| 2021 | Increase in stake of our company to 80% in Partnership Firm M/s Satguru Engravures |

## OTHER DETAILS REGARDING OUR COMPANY

For information on our activities, services, products, growth, technology, marketing strategy, our standing with reference to our prominent competitors and customers, location of plants, capacity and capacity utilization, please refer to sections titled "Our Business", "Industry Overview" and "Management's Discussion and Analysis of Financial Conditions and Results of Operations" beginning on page nos. 80,75 and 196 respectively of this Draft Prospectus. For details of our

management and managerial competence and for details of shareholding of our Promoter, please refer to sections titled "Our Management" and "Capital Structure" beginning on page nos. 114 and 43 respectively of this Draft Prospectus.

## RAISING OF CAPITAL IN FORM OF EQUITY OR DEBT

For details regarding our capital raising activities through equity and debt, please see the section entitled "Capital Structure" and "Restated Financial Statement" on page nos. 43 and 133 respectively of this Draft Prospectus.

## DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS AND CONVERSION OF LOANS INTO EQUITY

There have been no defaults or rescheduling of borrowings with financial institutions/banks in respect of our current borrowings from lenders. None of our outstanding loans have been converted into equity shares.

## SUBSIDIARIES/HOLDINGS AND JOINT VENTURES OF THE COMPANY

Our company does not have any Subsidiaries/Holdings and Joint Ventures except mentioned below;

<table>
<tr><td>Name of Associate Entity</td><td colspan="4">M/s Satguru Engravures</td></tr>
<tr><td>Nature of Business</td><td colspan="4">Manufacturing and sales of Polycoated Paper, Laminates, Tapes & Specialty Tapes</td></tr>
<tr><td>Capital Structure as on date of this draft Prospectus</td><td colspan="4"><table>
<tr><th>Sr. No.</th><th>Name of Share Holders</th><th>Number of Shares</th><th>% Profit/ (Loss) Sharing Ratio</th></tr>
<tr><td>1.</td><td>Mr. Dhruv Rakesh</td><td>NA</td><td>16.00%</td></tr>
<tr><td>2.</td><td>Mr. Rakesh Kumar</td><td>NA</td><td>2.00%</td></tr>
<tr><td>3.</td><td>Mrs. Rekha Bansal</td><td>NA</td><td>2.00%</td></tr>
<tr><td>4.</td><td>M/s. D.K. Enterprises Global Limited</td><td>NA</td><td>80.00%</td></tr>
<tr><td colspan="2">Total</td><td>NA</td><td>100.00%</td></tr>
</table></td></tr>
<tr><td>Profit / Sharing Ratio of our company</td><td colspan="4">As on date of this draft prospectus our company is participates in 80.00% of profit and losses of M/s Satguru Engravures.</td></tr>
<tr><td>Amount of Accumulated profits or losses of the subsidiary (ies) not accounted for by our company.</td><td colspan="4">Our Company became partner in M/s Satguru Engravures via partnership deed dated May 04th, 2019. Our company has accounted for all profits and losses of M/s Satguru Engravures as per applicable accounting standard.<br><br>Till the date of this draft prospectus there is no Accumulated profits or losses of the Associate Entity not accounted for by our company.</td></tr>
</table>

## RAISING OF CAPITAL IN FORM OF EQUITY

For details of increase in equity capital of our company please refer section "Capital Structure" on page no. 43 of this Draft Prospectus.

## INJUNCTION AND RESTRAINING ORDER

Our company is not under any injunction or restraining order, as on date of filing of this Draft Prospectus.

## MANAGERIAL COMPETENCE

For managerial Competence, please refer to the section "Our management" on Page no. 114 of this Draft Prospectus.

## MATERIAL ACQUISITIONS / AMALGAMATIONS / MERGERS/ REVALUATION OF ASSETS/DIVESTMENT OF BUSINESS/UNDERTAKING IN LAST TEN YEARS

There has been no Material Acquisitions/Amalgamations/Mergers/Revaluation of Assets/Divestment of Business/Undertaking in last ten years mentioned except as mentioned below;

| Sr. No. | Nature | Name of Entity | Business Activity |
|---|---|---|---|
| 1. | Acquisition (Takeover) | M/s. D.K. Enterprises, proprietor Mrs. Rekha Bansal | Manufacturing of Paper based packaging material, self-adhesive tapes and laminated products |
| 2. | Acquisition (Investment) | M/s Satguru Engravures, Partnership Firm (Profit and Loss Sharing of 51%) | Manufacturing and sales of Polycoated Paper, Laminates, Tapes & Specialty Tapes |
| 3. | Acquisition (Further Investment) | M/s Satguru Engravures, Partnership Firm (Profit and Loss Sharing of 80%) | Manufacturing and sales of Polycoated Paper, Laminates, Tapes & Specialty Tapes |

## TOTAL NUMBER OF SHAREHOLDERS OF OUR COMPANY

As on the date of filing of this Draft Prospectus, the total numbers of equity shareholders are 7 (Seven). For more details on the shareholding of the members, please see the section titled "Capital Structure" at page no. 43 of this Draft Prospectus.

## MAIN OBJECTS AS SET OUT IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. Our Company has not changed its Object since its Incorporation. The objects for which our Company is established is:

1) Manufacturing of Packaging material
2) To carry on the business of manufacturing of all types of Primary and Secondary packaging Materials, including self adhesive tapes like BOPP, Banding, Masking and other speciality tapes, extrusion lamination and other laminated products for the soaps and food industry and corrugated rolls and boxes for sale in domestic as well as foreign markets.

## SHAREHOLDERS' AGREEMENTS

Our Company has not entered into any shareholders agreement as on the date of filing this Draft Prospectus.

## OTHER AGREEMENTS

As on the date of this Draft Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered as on the date of this Draft Prospectus.

## JOINT VENTURE AGREEMENTS

Our Company has not entered into any joint venture agreement as on the date of this Draft Prospectus.

## COLLABORATION AGREEMENTS

Our Company has not entered into any collaboration agreement as on the date of this Draft Prospectus.

## STRATEGIC PARTNERS

Our Company is not having any strategic partner as on the date of filing this Draft Prospectus.

## FINANCIAL PARTNERS

Our Company has not entered into any financial partnerships with any entity as on the date of filing of this Draft Prospectus.

## OUR MANAGEMENT

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than 3 and not more than 15, at least two thirds of whom shall be liable to retire by rotation other than independent directors. Our Company currently has 5 (Five) directors on our Board out of which 3 (Three) are Executive Directors and 2 (Two) are Non-Executive Independent Directors.

| | | |
|---|---|---|
| 1. | Mr. Rakesh Kumar | Chairman Cum Managing Director |
| 2. | Mrs. Rekha Bansal | Whole-Time Director |
| 3. | Mr. Dhruv Rakesh | Executive Director |
| 4. | Mr. Jeenendra Prakash Singhvi | Non-Executive Independent Director |
| 5. | Mr. Khagesh Kaushal | Non-Executive Independent Director |

The Following table sets forth details regarding the Board of Directors as on the date of this Draft Prospectus:-

| **MR. RAKESH KUMAR** | |
|---|---|
| **Father's Name** | Mr. Dev Prakash |
| **DIN** | 08374550 |
| **Date of Birth** | August 09, 1953 |
| **Age** | 67 years |
| **Designation** | Chairman Cum Managing Director |
| **Status** | Executive |
| **Qualification** | Bachelor of Engineering in Electrical from Punjabi University, Patiala |
| **No. of Years of Experience** | He has a rich work experience of more than 3 decades in the field of paper based packaging industry, BOPP Tapes and Gummed Paper Tapes. |
| **Address** | 1062, Sector-02 Panchkula, Panchkula Sector 8 Haryana, 134109 |
| **Occupation** | Business |
| **Nationality** | Indian |
| **Date of Appointment** | Appointed as a first director on Incorporation of Our Company, i.e. from February 26, 2019, At present he is Chairman Cum Managing Director for a term of 5 years w.e.f. March 1, 2021. |
| **Term of Appointment and date of expiration of current term office.** | Holds office for a period of 5 years w.e.f. March 1, 2021. |
| **Other Directorships** | - |

| **MRS. REKHA BANSAL** | |
|---|---|
| **Father's Name** | Mr. Ved Prakash Dewan |
| **DIN** | 08374551 |
| **Date of Birth** | October 07, 1956 |
| **Age** | 64 Years |
| **Designation** | Whole Time Director |
| **Status** | Executive |
| **Qualification** | She holds the degree of Master of Arts (History) |
| **No. of Years of Experience** | She is having experience of more than 24 years in the field of paper based packaging industry, BOPP Tapes and Gummed Paper Tapes. |
| **Address** | 1062, Sector-02 Panchkula, Panchkula Sector 8 Haryana, 134109 |
| **Occupation** | Business |
| **Nationality** | Indian |
| **Date of Appointment** | Appointed as a first director on Incorporation of Our Company, i.e. from February 26, 2019. Later on she is appointed as whole Time Director for a term of 5 years w.e.f. March 1, 2021. |
| **Term of Appointment and date of expiration of current term office.** | Holds office for a period of 5 years w.e.f. March 01, 2021 and liable to retirement by rotation. |

| | |
|---|---|
| **Other Directorships** | - |

| **MR. DHRUV RAKESH** | |
|---|---|
| **Father's Name** | Mr. Rakesh Kumar |
| **DIN** | 08374549 |
| **Date of Birth** | August 09, 1987 |
| **Age** | 33 Years |
| **Designation** | Executive Director |
| **Status** | Executive |
| **Qualification** | Master of Business Administration (International Business) from Indian Institute of Foreign Trade (IIFT) (Deemed University).<br>Bachelor of Engineering in Computer Science & Engineering from PEC University of Technology, Chandigarh. |
| **No. of Years of Experience** | He has an experience of more than 5 years in the field of manufacturing and marketing of paper based packaging industry, BOPP Tapes and Gummed Paper Tapes. |
| **Address** | 1062, Sector -02, Panchkula, Panchkula Sector 8, Haryana, 134109 |
| **Occupation** | Business |
| **Nationality** | Indian |
| **Date of Appointment** | Appointed as an Executive Director of the company w.e.f. March 01, 2021. |
| **Term of Appointment** | Holds office for a period of 5 years w.e.f. March 01, 2021 and liable to retirement by rotation. |
| **Other Directorships** | - |

| **MR. JEENENDRA PRAKASH SINGHVI** | |
|---|---|
| **Father's Name** | Mr. Himmat Chand Singhvi |
| **DIN** | 09027788 |
| **Date of Birth** | February 12, 1969 |
| **Age** | 52 Years |
| **Designation** | Director |
| **Status** | Non-Executive & Independent |
| **Qualification** | MD (Neurology) |
| **No. of Years of Experience** | He has been practicing Neurology since last 20 years. |
| **Address** | #647 Sector 33 B Chandigarh -160020 |
| **Occupation** | Professional |
| **Nationality** | Indian |
| **Date of Appointment** | Appointed as an Independent Director of Company w.e.f. December 31, 2020. |
| **Term of Appointment** | Holds office for a period of 5 years upto December 31, 2025 |
| **Other Directorships** | - |

| **MR. KHAGESH KAUSHAL** | |
|---|---|
| **Father's Name** | Mr. Pardeep Kaushal |
| **DIN** | 09027797 |
| **Date of** Birth | February 16, 1988 |
| **Age** | 33 Years |
| **Designation** | Director |
| **Status** | Non-Executive & Independent |
| **Qualification** | B.E. (Mechanical), Post Graduate Diploma in Management |
| **No. of Years of Experience** | He has work of experience of more than 5 years years as an associate consultant for Automotive and Engineering at Tata Strategic Management group. |

| | |
|---|---|
| **Address** | #284 Kendriya Vihar, Sector 48 B Chandigarh-160047 |
| **Occupation** | Professional |
| **Nationality** | Indian |
| **Date of Appointment** | Appointed as an Independent Director of Company w.e.f. December 31, 2020. |
| **Term of Appointment** | Holds office for a period of 5 years upto December 31, 2025 |
| **Other Directorships** | - |

As on the date of the Draft Prospectus;

A. None of the above mentioned Directors are on the RBI List of willful defaulters.

B. None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.

C. None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) up to the date of filling of this Draft Prospectus.

E. None of Promoters or Directors of our Company are a fugitive economic offender.

F. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.

G. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.

## RELATIONSHIP BETWEEN THE DIRECTORS

There is no relationship between any of the Directors of our Company except the following relationship:-

| Name of Director | Designation | Relation |
|---|---|---|
| Mr. Rakesh Kumar | Promoter Cum Chairman cum Managing Director | Spouse of our Promoter, Whole-time Director, Mrs. Rekha Bansal and Father of Our Promoter and Executive Director Mr. Dhruv Rakesh. |
| Mrs. Rekha Bansal | Promoter Cum Whole-time Director | Spouse of Our Promoter , Chairman cum Managing Director, Mr. Rakesh Kumar and Mother of Our Promoter and Executive Director Mr. Dhruv Rakesh. |
| Mr. Dhruv Rakesh | Promoter Cum Executive Director | Son of our Promoters Mr. Rakesh Kumar and Mrs. Rekha Bansal. |

## ARRANGEMENT AND UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS AND OTHERS

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above mentioned Directors was selected as director or member of senior management.

## SERVICE CONTRACTS

None of our directors have entered into any service contracts with our company and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company. However, Executive Directors of our Company are appointed for specific terms and conditions for which no formal agreements are executed, however their terms and conditions of appointment and remuneration are specified and approved by the Board of Directors and Shareholders of the Company.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of employment.

## BORROWING POWERS OF THE BOARD OF DIRECTORS

The shareholders of the Company, through a special resolution passed at the Extra Ordinry General Meeting held on March 01, 2021 authorized our Board to borrow monies, together with monies already borrowed, up to ₹ 100 Crores (Rupees Hundred Crores Only) if the aggregate for the time being of the paid-up capital of the Company and its free reserves is less than ₹ 100 Crores.

## BRIEF PROFILE OF OUR DIRECTORS

### MR. RAKESH KUMAR

Mr. Rakesh Kumar, aged 67 years is Promoter, First Director of the Company. He is holding degree of Bachelor of Engineering in Electrical from Punjabi University, Patiala. He is appointed as a first director on Incorporation of our Company, i.e. from February 26, 2019. At present he is Chairman Cum Managing Director for a term of 5 years w.e.f. March 1, 2021. He has a rich work experience of more than 3 decades in the field of paper based packaging industry, BOPP Tapes and Gummed Paper Tapes. He is the guiding force behind all the corporate decisions and is responsible for the entire Business operations of the Company since incorporation.

### MRS. REKHA BANSAL

Mrs. Rekha Bansal, aged 64 years, holds Degree of Master of Arts (History). She is Promoter cum whole-time Director of our company. She was Originally appointed as director of our company on incorporation. Subsequently she was appointed as a Whole Time Director of the company w.e.f March 01, 2021 for a period of five years. She is having experience of more than 24 years in the field of paper based packaging industry, BOPP Tapes and Gummed Paper Tapes. She has been sole proprietor of D.K. Enterprises, firm taken over by our company. She combines quality of business women and a house wife very nicely. She has been awarded with “Best Woman Entrepreneur” by Canara Bank, Chandigarh circle in the year 2005.

### MR. DHRUV RAKESH

Mr. Dhruv Rakesh, aged 33 years, holds degree of Bachelor of Engineering in Computer Science & Engineering from PEC University of Technology, Chandigarh and Master of Business Administration (International Business) from Indian Institute of Foreign Trade (IIFT) (Deemed University). He is Promoter Cum executive director of our company. He is appointed as a Director since Incorporation of the Company, i.e. February 26, 2019. Subsequently he was appointed as an Executive Director of the company for the period of five years w.e.f March 01, 2021. He has an experience of more than 5 years in the field of manufacturing and marketing of paper based packaging industry, BOPP Tapes and Gummed Paper Tapes. He has been instrumental in setting up partnership firm Satguru Engravures in which our company at present holds 80% stake.

### MR. JEENENDRA PRAKASH SINGHVI

Mr. Jeenendra Prakash Singhvi, aged 52 years, holds degree of MD, DM (Neurology), He is appointed as an Independent director of our company w.e.f December 31, 2020 for a period of 5 years upto December 31, 2025. He is practicing Neurology since 1999 and also senior consultant in Fortis Hospital, Mohali, Punjab. He is also faculty at ART of Living, Indian Organization spread in more than 155 countries. He is also life member at Neurological society of India, American Academy of Neurology, Indian Academy of Neurology, Indian Stroke Society, PGI Neurlogical society, Association of physician of India.

### MR. KHAGESH KAUSHAL

Mr. Khagesh Kaushal, aged 33 Years, holds degree of B.E. (Mechanical) from PEC University of Technology and Post Graduate Diploma in Management from The Indian Institute of Management of Indore. He is appointed as an Independent director of our company w.e.f December 31, 2020 for a period of 5 years upto December 31, 2025. He is an associate consultant for Automotive and Engineering at Tata Strategic Management Group and has rich experience of working global clients, automotive OEMs and supplier for strategy formulation, operations improvement, strategic sourcing etc. He has been awarded “Quartely Award” for outstanding contribution in product development and cost saving. He has been 2nd runner up in NASA Moon Buggy competitition at Hunstville U.S. in the International team category and also have received “Certificate of Excellence” from Governor, Punjab and Chandigarh for outstanding performance at NASA, USA.

## COMPENSATION AND BENEFITS TO THE CHAIRMAN, MANAGING DIRECTOR AND WHOLE TIME DIRECTOR ARE AS FOLLOWS:-

| Name | Mr. Rakesh Kumar | Mrs. Rekha Bansal |
|---|---|---|
| Designation | Chairman Cum Managing Director | Whole Time Director |
| Date of Appointment/ Change in Designation | Originally appointed as director of our company on incorporation i.e February 26, 2019. Subsequently he was appointed as a Managing Director of the Company for the Period of five years w.e.f. December 31, 2020. At present he is Chairman Cum Managing Director for a term of 5 years w.e.f. March 1, 2021. | Originally She was appointed as director of our company on incorporation. i.e February 26, 2019.Subsequently she was appointed as a Whole Time Director of the company for the period of five years w.e.f. March 01, 2021 liable to retire by rotation. |
| Period | 5 Years w.e.f. March 1, 2021 and not liable to retire by rotation | 5 Years w.e.f. March 1, 2021 and liable to retire by rotation |
| Salary | Basic Salary up to ₹ 3,00,000/- per month for a period of five years from the date of appointment. | Basic Salary up to ₹ 2,00,000/- per month for a period of five years from the date of appointment. |
| Bonus | - | - |
| Perquisite/Benefits | - | - |
| Compensation/ remuneration paid during the F.Y. 2020-21 | ₹ 24.00 Lakh | Nil |

## SITTING FEES PAYABLE TO NON-EXECUTIVE DIRECTORS

Till date, our Company has not paid any sitting fees to any of the Non-Executive Directors for attending any of the Board or Committee Meetings. Further, The Board of Directors of our company has formed policy for payment of sitting fees to non-executive director on July 17, 2021.

## SHAREHOLDING OF DIRECTORS

The shareholding of our directors as on the date of this Draft Prospectus is as follows:

| Sr. No. | Name of Directors | No. Equity Shares held | Category/ Status |
|---|---|---|---|
| 1. | Mr. Rakesh Kumar | 7,24,850 | Executive Director |
| 2. | Mrs. Rekha Bansal | 43,24,850 | Executive Director |
| 3. | Mr. Dhruv Rakesh | 4,53,500 | Executive Director |
| 4. | Mr. Jeenendra Prakash Singhvi | 0 | Non-Executive Independent |
| 5. | Mr. Khagesh Kaushal | 0 | Non-Executive Independent |

## INTEREST OF DIRECTORS

All the non-executive directors of the company may be deemed to be interested to the extent of fees, payable to them for attending meetings of the Board or Committee if any as well as to the extent of other remuneration and/or reimbursement of expenses payable to them as per the applicable laws.

The directors may be regarded as interested in the shares and dividend payable thereon, if any, held by or that may be subscribed by and allotted/transferred to them or the companies, firms and trust, in which they are interested as directors, members, partners and or trustees. All directors may be deemed to be interested in the contracts, agreements/arrangements to be entered into by the issuer company with any company in which they hold directorships or any partnership or proprietorship firm in which they are partners or proprietors as declared in their respective declarations.

Executive Director is interested to the extent of remuneration paid to them for services rendered to the company.

Except as stated under ""Annexure – J" and "Annexure – J" - Related Party Transaction" on page no. 157 and 185 of this Draft Prospectus, our company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of the Draft Prospectus in which our directors are interested directly or indirectly.

## CHANGES IN THE BOARD OF DIRECTORS DURING THE LAST THREE YEARS

| Name of Director | Date of Event | Nature of Event | Reason for the changes in the board |
|---|---|---|---|
| Mr. Khagesh Kaushal | December 31, 2020 | Appointment | Appointed as Non-Executive Independent Director |
| Mr. Jeenendra Prakash Singhvi | December 31, 2020 | Appointment | Appointed as Non-Executive Independent Director |
| Mr. Rakesh Kumar | March 1, 2021 | Change in Designation | Originally appointed as director of our company on incorporation i.e February 26, 2019. Subsequently he was appointed as a Managing Director of the Company for the Period of five years w.e.f. December 31, 2020 At present, appointed as Chairman cum Managing Director for a term of five years w.e.f. March 1, 2021. |
| Mrs. Rekha Bansal | March 1, 2021 | Change in Designation | Originally She was appointed as director of our company on incorporation. i.e February 26, 2019.Subsequently she was appointed as a Whole Time Director of the company for the period of five years w.e.f. March 01, 2021 liable to retire by rotation. |
| Mr. Dhruv Rakesh | March 1, 2021 | Change in Designation | Originally appointed as director of our company on incorporation i.e. February 26, 2019. Subsequently he was appointed as an Executive Director of the Company for the Period of five years w.e.f. March 01, 2021. |

## CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges.

As on date of this Draft Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the requirements specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 are not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. In spite of certain regulations and schedules of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 is not applicable to our Company, our Company endeavors to comply with the good Corporate Governance and accordingly certain exempted regulations have been compiled by our Company.

Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

**Composition of Board of Directors**

Currently the Board has 5 (Five) Directors. In compliance with the requirements of Companies Act, 2013, our Company has 3 (Three) Promoter – Executive Directors and 2 (Two) None Executive Independent Directors.

Composition of Board of Directors is set forth in the below mentioned table:

| Sr. No. | Name of Directors | Designation | Status | DIN |
|---|---|---|---|---|
| 1. | Mr. Rakesh Kumar | Chairman Cum Managing Director | Executive & Non-Independent | 08374550 |
| 2. | Mrs. Rekha Bansal | Whole Time Director | Executive & Non-Independent | 08374551 |
| 3. | Mr. Dhruv Rakesh | Executive Director | Executive & Non-Independent | 08374549 |
| 4. | Mr. Jeenendra Prakash Singhvi | Independent Director | Non-Executive & Independent | 09027788 |
| 5. | Mr. Khagesh Kaushal | Independent Director | Non-Executive & Independent | 09027797 |

**Constitution of Committees**

Our company has constituted the following Committees of the Board;

1. **Audit Committee;**
2. **Stakeholders Relationship Committee; and**
3. **Nomination and Remuneration Committee.**

Details of composition, terms of reference etc. of each of the above committees are provided hereunder;

1. **Audit Committee:**

The Board of Directors of our Company has, in pursuance to provisions of Section 177 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on March 12, 2021, constituted Audit Committee.

The constitution of the Audit Committee is as follows:

| Name of the Directors | Designation | Nature of Directorship |
|---|---|---|
| Mr. Khagesh Kaushal | Chairman | Non-Executive Independent Director |
| Mr. Jeenendra Prakash Singhvi | Member | Non-Executive Independent Director |
| Mr. Dhruv Rakesh | Member | Executive Director |

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

**Terms of Reference**

The Role of Audit Committee not limited to but includes:-

i. The recommendation for the appointment, re-appointment and, if required, the replacement or removal of the auditor, their remuneration and fixation of terms of appointment of the Auditors of the Company;
ii. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
iii. Examination of financial statement and auditors' report thereon including interim financial result before submission to the Board of Directors for approval;
    a. Changes, if any, in accounting policies and practices and reasons for the same
    b. Major accounting entries involving estimates based on the exercise of judgment by management
    c. Significant adjustments made in the financial statements arising out of audit findings
    d. Compliance with listing and other legal requirements relating to financial statements
    e. Disclosure of any related party transactions
    f. Qualifications in the draft audit report.
iv. Approval or any subsequent modification of transactions of the Company with related party;
    Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the company subject to such conditions as may be prescribed under the Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof;
    Provided further that in case of transaction, other than transactions referred to in section 188 of Companies Act 2013 or any subsequent modification(s) or amendment(s) thereof, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board;
    Provided also that in case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee;
v. Reviewing, with the management, and monitoring the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
vi. Scrutiny of Inter-corporate loans and investments;
vii. Reviewing and discussing 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;
viii. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
ix. Valuation of undertakings or assets of the company, where ever it is necessary;

x. Evaluation of internal financial controls and risk management systems and reviewing, with the management, performance of internal auditors, and adequacy of the internal control systems; and
xi. 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;
xii. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate; and
xiii. Carrying out any other function as assigned by the Board of Directors from time to time.

**Review of Information**

i. Management discussion and analysis of financial condition and results of operations;
ii. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
iv. Internal audit reports relating to internal control weaknesses; and
v. The appointment, removal and terms of remuneration of the Internal Auditor.

**Powers of Committee**

i. To investigate any activity within its terms of reference;
ii. To seek information from any employees;
iii. To obtain outside legal or other professional advice; and
iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

**Quorum and Meetings**

The audit committee shall meet as and when required to discuss and approve the items included in its role. The quorum of the meeting of the Audit Committee shall be one third of total members of the Audit Committee or 2, whichever is higher, subject to minimum two Independent Director shall present at the Meeting.

**2. Stakeholders Relationship Committee:**

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on March 12, 2021, constituted Stakeholders Relationship Committee.

The constitution of the Stakeholders Relationship Committee is as follows:

| Name of the Directors | Designation | Nature of Directorship |
|---|---|---|
| Mr. Khagesh Kaushal | Chairman | Non-Executive Independent Director |
| Mr. Jeenendra Prakash Singhvi | Member | Non-Executive Independent Director |
| Mrs. Rekha Bansal | Member | Executive Whole-Time Director |

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

**Terms of Reference**

To supervise and ensure;
i. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares;
ii. Redressal of shareholder and investor complaints like transfer of Shares, non-receipt of balance sheet, non-receipt of declared dividends etc.;
iii. Issue duplicate/split/consolidated share certificates;
iv. Dematerialization/Rematerialization of Share;
v. Review of cases for refusal of transfer / transmission of shares and debentures;
vi. Reference to statutory and regulatory authorities regarding investor grievances and to otherwise ensure proper and timely attendance and redressal of investor queries and grievances; Provided that inability to resolve or consider any grievance by the Stakeholders Relationship Committee in good faith shall not constitute a contravention of Section 178 of Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof.
vii. Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

**Quorum and Meetings**

The Stakeholders Relationship Committee shall meet as and when require to discuss and approve the items included in its role. The quorum shall be one third of total members of the Stakeholders Relationship Committee or 2 members, whichever is higher.

**3. Nomination and Remuneration Committee:**

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on September 23, 2019, constituted Nomination and Remuneration Committee.

The constitution of the Nomination and Remuneration Committee is as follows:

| Name of the Directors | Designation | Nature of Directorship |
|---|---|---|
| Mr. Khagesh Kaushal | Chairman | Non-Executive Independent Director |
| Mr. Jeenendra Prakash Singhvi | Member | Non-Executive Independent Director |
| Mr. Rakesh Kumar | Member | Executive - Chairman and Managing Director |

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

**Terms of reference**

**Role of Nomination and Remuneration Committee not limited to but includes:-**

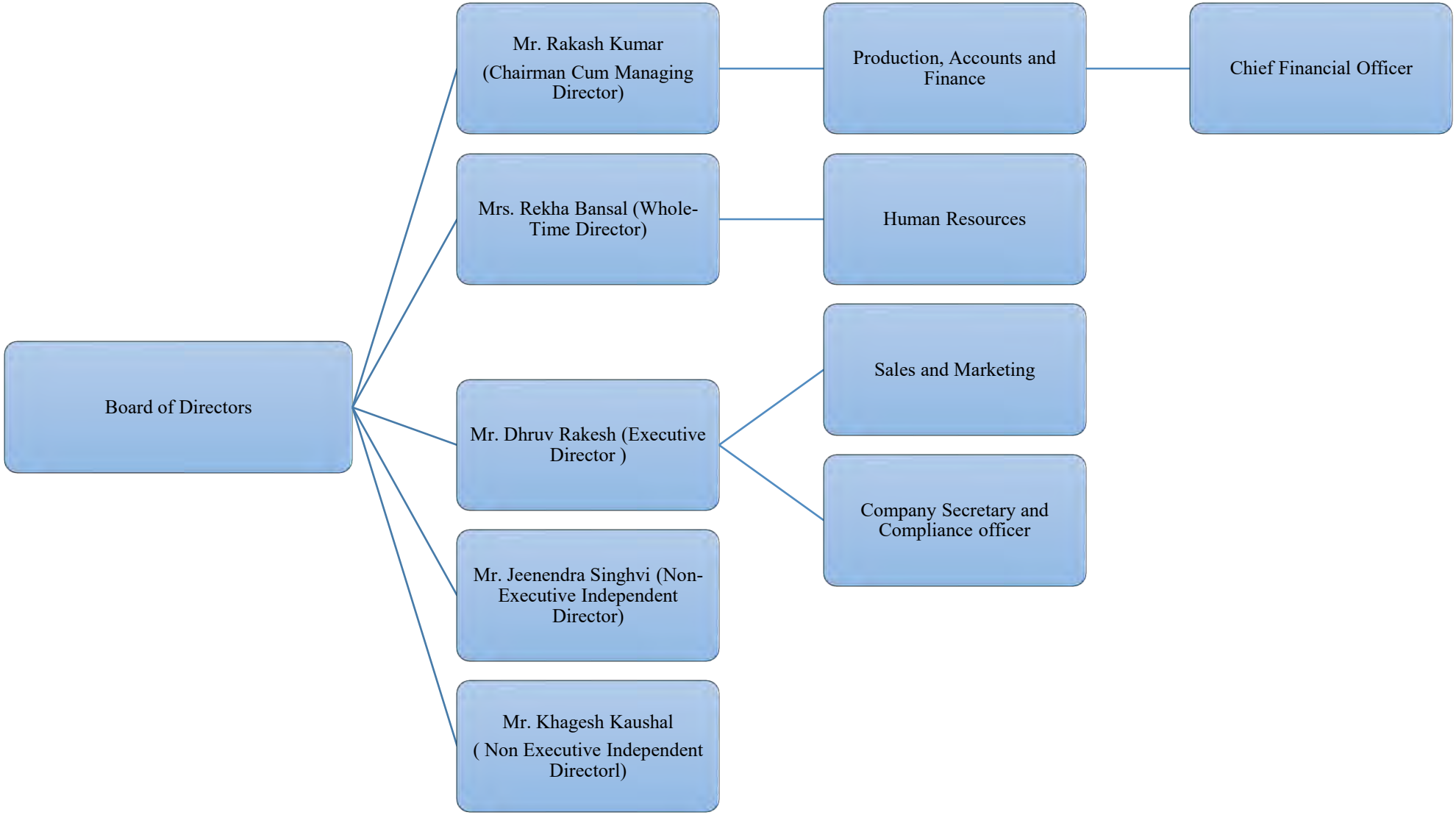
i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
ii. Formulation of criteria for evaluation of Independent Directors and the Board;
iii. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
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 and shall carry out evaluation of every director‘s performance.

**Quorum and Meetings**

The Committee is required to meet at least once a year. The quorum necessary for a meeting of the Nomination and Remuneration Committee is one third of total members of the Nomination and Remuneration Committee or 2 members, whichever is higher.

## MANAGEMENT ORGANIZATION STRUCTURE

The Management Organization Structure of the company is depicted from the following chart;


Board of Directors
Mr. Rakash Kumar (Chairman Cum Managing Director)
Production, Accounts and Finance
Chief Financial Officer
Mrs. Rekha Bansal (Whole-Time Director)
Human Resources
Mr. Dhruv Rakesh (Executive Director )
Sales and Marketing
Company Secretary and Compliance officer
Mr. Jeenendra Singhvi (Non-Executive Independent Director)
Mr. Khagesh Kaushal ( Non Executive Independent Directorl)

## OUR KEY MANAGEMENT PERSONNEL

The Key Managerial Personnel of our Company other than our Executive Director are as follows:-

| Name, Designation and Date of Joining | | Qualification | Previous Employment | Remuneration paid in F.Y. 2020-21) ( ₹ in Lakhs) |
|---|---|---|---|---|
| **Name** | Mr. Baljeet Singh | Master of Business Administration and Bachelor of Commerce from Punjab University | N.A. | ₹ 5.95 |
| **Designation** | Chief Financial Officer | | | |
| **Date of Appointment** | December 05, 2020 | | | |
| **Overall Experience** | He has overall experience of 8 years in the field of packaging and BOPP Tapes. | | | |
| | | | | |
| **Name** | Ms. Amanpreet Kaur | Bachelor of Commerce and Company Secretary | Fresher | ₹ 0.51 |
| **Designation** | Company Secretary & Compliance Officer | | | |
| **Date of Appointment** | December 05, 2020 | | | |
| **Overall Experience** | Ms. Amanpreet Kaur, aged 27 years, is Company Secretary & Compliance Officer of the Company. She is Qualified Company Secretary from The Institute of Company Secretaries of India. | | | |

## BONUS OR PROFIT SHARING PLAN FOR THE KEY MANAGEMENT PERSONNEL

Currently, Our Company does not have any bonus or profit sharing plan for our Key Managerial personnel. In future, Discretionary bonus may be paid as may be decided by Nomination and Remuneration Committee/Board of Directors, depending upon the performance of the Key Managerial Personnel, working of the Company and other relevant factors subject to Maximum of annual salary within the limits laid down under Para A of Section II of Part II of Schedule V of the Companies Act, 2013.

## CHANGES IN THE KEY MANAGEMENT PERSONNEL

The following are the changes in the Key Management Personnel other than directors in the last three years preceding the date of filing this Draft Prospectus, otherwise than by way of retirement in due course.

| Name of Key Managerial Personnel | Date of Event | Nature of Event | Reason for the changes |
|---|---|---|---|
| Mr. Rakesh Kumar | March 1, 2021 | Change in Designation | Originally appointed as director of our company on incorporation i.e February 26, 2019. Subsequently he was appointed as a Managing Director of the Company for the Period of five years w.e.f. December 31, 2020 At present, appointed as Chairman cum Managing Director for a term of five years w.e.f. March 1, 2021. |
| Mrs. Rekha Bansal | March 1, 2021 | Change in Designation | Originally She was appointed as director of our company on incorporation. i.e February 26, 2019.Subsequently she was appointed as a Whole Time Director of the company for the period of five years w.e.f. March 01, 2021 liable to retire by rotation. |
| Mr. Baljeet Singh | December 5, 2020 | Appointment | Appointed as Chief Financial Officer w.e.f. December 5, 2020. |
| Mr. Amanpreet Kaur | December 5, 2020 | Appointment | Appointed as Company Secretary and Compliance Officer |

## EMPLOYEE STOCK OPTION SCHEME

As on the date of filing of Draft Prospectus, our company does not have any ESOP Scheme for its employees.

## RELATION OF THE KEY MANAGERIAL PERSONNEL WITH OUR PROMOTERS/ DIRECTORS

| Name of Key Managerial Personnel | Designation | Relation |
|---|---|---|
| Mr. Rakesh Kumar | Promoter Cum Chairman cum Managing Director | Spouse of our Promoter, Whole-time Director, Mrs. Rekha Bansal and Father of Our Promoter and Executive Director Mr. Dhruv Rakesh. |
| Mrs. Rekha Bansal | Promoter Cum Whole-time Director | Spouse of Our Promoter , Chairman cum Managing Director, Mr. Rakesh Kumar and Mother of Our Promoter and Executive Director Mr. Dhruv Rakesh. |
| Mr. Dhruv Rakesh | Promoter Cum Executive Director | Son of our Promoters Mr. Rakesh Kumar and Mrs. Rekha Bansal. |

## PAYMENT OF BENEFIT TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)

Except the statutory payments made by our Company, in the last two years, our company has not paid any sum to its employees in connection with superannuation payments and ex-gratia/ rewards and has not paid any non-salary amount or benefit to any of its officers.

**Notes:**

- All the key managerial personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no arrangement / understanding with major shareholders, customers, suppliers or others pursuant to which any of the above mentioned personnel have been recruited.
- None of our Key Managerial Personnel has been granted any benefits in kind from our Company, other than their remuneration.
- None of our Key Managerial Personnel has entered into any service contracts with our company except acting in their Individual Capacity as Chairman Cum Managing Director or Whole-Time Directors and no benefits are granted upon their termination from employment other that statutory benefits provided by our Company. Further, our Company has appointed certain Key Managerial Personnel i.e. Chief Financial Officer and Company Secretary and Compliance officer for which our company has not executed any formal service contracts; although they are abide by their terms of appointments.

## SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL

Except as disclosed below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Draft Prospectus.

| Sr. No. | Name of Key Management Personnel | No. Equity Shares held | Category/ Status |
|---|---|---|---|
| 1. | Mr. Rakesh Kumar | 7,24,850 | Executive Non Independent |
| 2. | Mrs. Rekha Bansal | 43,24,850 | Executive Non Independent |
| 3. | Mr. Dhruv Rakesh | 4,53,500 | Executive Non Independent |
| 4. | Mr. Baljeet Singh | 2200 | Chief Financial Officer |

| | | | |
|---|---|---|---|
| 5. | Mr. Amanpreet Kaur | 0 | Company Secretary and Compliance officer |

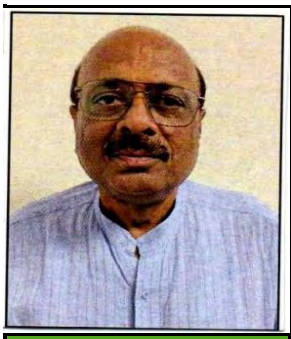
## OUR PROMOTERS AND PROMOTERS GROUP

**Promoters of Our Company are;**

1. Mr. Rakesh Kumar
2. Mrs. Rekha Bansal
3. Mr. Dhruv Rakesh

For details of the Capital build-up of our Promoters in our Company, see section titled "Capital Structure" beginning on page no. 43 of this Draft Prospectus.

The details of our Promoters are as follows:

|  | **MR. RAKESH KUMAR** |
|---|---|
| | Mr. Rakesh Kumar, aged 67 years is Promoter, First Director of the Company. He is holding degree of Bachelor of Engineering in Electrical from Punjabi University, Patiala. He is appointed as a first director on Incorporation of our Company, i.e. from February 26, 2019. At present he is Chairman Cum Managing Director for a term of 5 years w.e.f. March 1, 2021. He has a rich work experience of more than 3 decades in the field of paper based packaging industry, BOPP Tapes and Gummed Paper Tapes. He is the guiding force behind all the corporate decisions and is responsible for the entire Business operations of the Company since incorporation. |
| **Date of Birth** | August 09, 1953 |
| **Age** | 67 Years |
| **PAN** | ABYPK3497L |
| **Passport Number** | J5204398 |
| **Aadhar Card No.** | 6900 0167 8442 |
| **Driving License** | HR-0320030015508 |
| **Name of Bank*** | Canara Bank |
| **Bank Account No.** | 1625101019908 |
| **Educational Qualification** | Bachelor of Engineering in Electrical from Punjabi University. |
| **Experience in Business** | He has a rich work experience of more than 3 decades in the field of paper based packaging industry, BOPP Tapes and Gummed Paper Tapes. |
| **Present Residential Address** | 1062, Sector-02 Panchkula, Panchkula Sector 8 Haryana, 134109 |
| **Position/posts held in the past** | Originally appointed as director of our company on incorporation i.e February 26, 2019. Subsequently he was appointed as a Managing Director of the Company for the Period of five years w.e.f. December 31, 2020. At present he is Chairman Cum Managing Director for a term of 5 years w.e.f. March 1, 2021. |
| **Directorship held** | - |
| **Other Ventures** | M/s Satguru Engravures |



| MRS. REKHA BANSAL | |
|---|---|
| | Mrs. Rekha Bansal, aged 64 years, holds Degree of Master of Arts (History). She is Promoter cum whole-time Director of our company. She was Originally appointed as director of our company on incorporation. Subsequently she was appointed as a Whole Time Director of the company w.e.f March 01, 2021 for a period of five years. She is having experience of more than 24 years in the field of paper based packaging industry, BOPP Tapes and Gummed Paper Tapes. She has been sole proprietor of D.K. Enterprises, firm taken over by our company. She combines quality of business women and a house wife very nicely. She has been awarded with "Best Woman Entrepreneur" by Canara Bank, Chandigarh circle in the year 2005. |
| **Date of Birth** | October 07, 1956 |
| **Age** | 64 years |
| **PAN** | AAPPB4881M |
| **Passport Number** | N8536046 |
| **Aadhar Card No.** | 9059 3521 9628 |
| **Driving License** | Not Available |
| **Name of Bank** | Canara Bank |
| **Bank Account No.** | 1625101014451 |
| **Educational Qualification** | She holds degree of Master of Arts (History). |
| **Experience in Business** | She is having experience of more than 24 years in the field of paper based packaging industry, BOPP Tapes and Gummed Paper Tapes. |
| **Present Residential Address** | 1062, Sector-02 Panchkula, Panchkula Sector 8 Haryana, 134109 |
| **Position/posts held in the past** | Originally She was appointed as director of our company on incorporation. i.e February 26, 2019.Subsequently she was appointed as a Whole Time Director of the company for the period of five years w.e.f. March 01, 2021 liable to retire by rotation. |
| **Directorship held** | - |
| **Other Ventures** | M/s Satguru Engravures |



| MR. DHRUV RAKESH | |
|---|---|
| | Mr. Dhruv Rakesh, aged 33 years, holds degree of Bachelor of Engineering in Computer Science & Engineering from PEC University of Technology, Chandigarh and Master of Business Administration (International Business) from Indian Institute of Foreign Trade (IIFT) (Deemed University). He is Promoter Cum executive director of our company. He is appointed as a Director since Incorporation of the Company, i.e. February 26, 2019. Subsequently he was appointed as an Executive Director of the company for the period of five years w.e.f March 01, 2021. He has an experience of more than 5 years in the field of manufacturing and marketing of paper based packaging industry, BOPP Tapes and Gummed Paper Tapes. He has been instrumental in setting up partnership firm Satguru Engravures in which our company at present holds 80% stake. |
| **Date of Birth** | August 09, 1987 |
| **Age** | 33 years |
| **PAN** | ARTPR2047N |
| **Passport Number** | Z3573858 |
| **Aadhar Card No.** | 3348 2413 4560 |
| **Driving License** | HR03 20050006296 |
| **Name of Bank** | Canara Bank |
| **Bank Account No.** | 1625101601978 |

| | |
|---|---|
| **Educational Qualification** | Bachelor of Engineering in Computer Science & Engineering from PEC University of Technology, Chandigarh.<br>Master of Business Administration (International Business) from Indian Institute of Foreign Trade (IIFT) (Deemed University). |
| **Experience in Business** | He has an experience of more than 5 years in the field of manufacturing and marketing of paper based packaging industry, BOPP Tapes and Gummed Paper Tapes. |
| **Present Residential Address** | 1062, Sector -02, Panchkula, Panchkula Sector 8, Haryana, 134109 |
| **Position/posts held in the past** | Appointed as a Director since Incorporation of the Company, i.e. February 26, 2019. Subsequently he was appointed as an Executive Director of the company for the period of five years w.e.f March 01, 2021 liable to retire by rotation. |
| **Directorship held** | - |
| **Other Ventures** | M/s Satguru Engravures<br>M/s. Sankyo Enterprise |

## DECLARATION

We declare and confirm that the details of the permanent account numbers, bank account numbers and passport numbers 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 Prospectus with the Stock Exchange.

## CHANGE IN THE CONTROL OR MANAGEMENT OF THE ISSUER IN LAST FIVE YEARS

There has been no change in the control or management of our Company in last five years.

## INTEREST OF OUR PROMOTERS

- Except as stated in "Annexure – J" and "Annexure – J" - "Related Party Transaction" on page no. 157 and 185 of this Draft Prospectus and to the extent of compensation, remuneration/ sitting fees to be paid, Perquisites to be given, reimbursement of expenses to be made in accordance with their respective terms of appointment and to the extent of their shareholding and benefits, if any, arise on the shareholding, our Promoters do not have any other interest in our business.

- Further, our Promoter may be deemed to be interested to the extent of the payments made by our Company, if any, to the Group entities and payment to be made by our Company to the Group Entities. For the payments that are made by our Company to certain Group entities, please refer "Annexure – J" and "Annexure – J" - "Related Party Transactions" on page no. 157 and 185 of this Draft Prospectus. For the payments proposed to be made by our Company to certain Group Entities, please refer page no 209 this Draft Prospectus.

- Our Promoter, Directors or Group Companies do not have any interest in any property acquired by our Company in the preceding three years before filing this Draft Prospectus. Further, they do not have any interest in any property to be acquired by our Company till the date of this Draft Prospectus.

- Excepted as otherwise as stated in this Draft Prospectus, we have not entered into any contract, agreements or arrangements during the preceding three years from the date of this Draft Prospectus in which promoter is directly or indirectly interested.

## PAYMENT OF BENEFITS TO OUR PROMOTERS

Except as stated in the section "Annexure – J" and "Annexure – J" - "Related Party Transactions" on page no. 157 and 185 of this Draft Prospectus, there has been no payment of benefits made to our Promoters in the two years preceding the filing of this Draft Prospectus. Further, our Company may enter into transaction with or make payment of benefit to the Promoters Directors or Promoters' Group, towards remunerations as decided by Board of Director.

## CONFIRMATIONS

Our Company and Promoters confirmed that they have not been declared as willful defaulters by the RBI or by any other government authority and there are no violations of securities laws committed by them in the past or are currently pending against them or restraining period are continued.

Further, our Promoters, promoters' group or directors have not been directly or indirectly, debarred from accessing the capital market or have not been restrained by any regulatory authority, directly or indirectly from acquiring the securities.

Additionally, our Promoters, promoters' group or directors do not have direct or indirect relation with the companies, its promoters and whole time director, which are compulsorily delisted by any recognized stock exchange or the companies which is debarred from accessing the capital market by the Board.

Also, our promoters or directors are not a fugitive economic offender.

We and Our Promoters, Group Entities, and Companies promoted by the Promoters confirm that:

- No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past one year against us;
- There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs during the past three years.
- The details of outstanding litigation including its nature and status are disclosed in the section title "Outstanding Litigation and Material Developments" appearing on page no. 201 of this Draft Prospectus.

**Dissociation of Promoters in the last three year:**

Our Promoters have not disassociated themselves from any Company or Firm during the preceding three years except as mentioned below.

| Name | Company/Entity Name | Dissociation date | Reason |
|---|---|---|---|
| NIL | | | |

## RELATIONSHIP OF PROMOTER WITH EACH OTHER AND WITH OUR DIRECTORS

There is no relationship between Promoters of our Company with other Directors except as described below;

| Name of Director | Designation | Relation |
|---|---|---|
| Mr. Rakesh Kumar | Promoter Cum Chairman cum Managing Director | Spouse of our Promoter cum Whole-time Director, Mrs. Rekha Bansal and Father of Our Promoter and Executive Director Mr. Dhruv Rakesh. |
| Mrs. Rekha Bansal | Promoter Cum Whole-time Director | Spouse of Our Promoter , Chairman cum Managing Director, Mr. Rakesh Kumar and Mother of Our Promoter and Executive Director Mr. Dhruv Rakesh. |
| Mr. Dhruv Rakesh | Promoter Cum Executive Director | Son of our Promoters Mr. Rakesh Kumar and Mrs. Rekha Bansal. |

## OUR PROMOTERS' GROUP

In addition to our Promoters named above, the following individuals and entities form a part of the Promoters' Group:

**A. Natural persons who are part of our Individual Promoter Group:**

| Relationship with Promoter | Mr. Rakesh Kumar | Mrs. Rekha Bansal | Mr. Dhruv Rakesh |
|---|---|---|---|
| Father | Dev Parkash | Ved Prakash Dewan | Rakesh Kumar |
| Mother | Santosh Devi | Rama Dewan | Rekha Bansal |
| Spouse | Rekha Bansal | Rakesh Kumar | Bipasha Bharti |
| Brothers | - | - | |
| Sisters | - | - | Kanika Rakesh |
| Sons | Dhruv Rakesh | Dhruv Rakesh | Master Agastya Rakesh |
| Spouse's Father | Ved Prakash Dewan | Dev Parkash | Rakesh Bharti |
| Spouse's Mother | Rama Dewan | Santosh Devi | Anita Bharti |
| Spouse's Brothers | - | - | - |
| Spouse's Sisters | - | - | - |

**B. Companies related to our Promoter Company: Not Applicable**

| Nature of Relationship | Name of Entities |
|---|---|
| Subsidiary or holding company of Promoter Company. | Not Applicable |
| Any Body corporate in which promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the promoter (Body Corporate). | Not Applicable |
| Any Body corporate in which a group or individuals or companies or combinations thereof which hold 20% or more of the equity share capital in that body corporate also hold 20% or more of the equity share capital of the Issuer. | Not Applicable |

**C. Companies, Proprietary concerns, HUF's related to our promoters**

| Nature of Relationship | Name of Entities |
|---|---|
| Any Body Corporate in which twenty percent or more of the equity share capital is held by promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relative is a member. | - |
| Any Body corporate in which Body Corporate as provided above holds twenty percent or more of the equity share capital. | Not Applicable |
| Any Hindu Undivided Family or Firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than twenty percent. | Rakesh Kumar (HuF)<br>Sankyo Enterprise (Proprietor Mr. Dhruv Rakesh)<br>M/s. Satguru Engravures (Partnership Firm) |

For further details on our "Group Entities" refer Chapter titled "Information With Respect To Group Companies/Entities" beginning on page no. 208 of this Draft Prospectus.

## DIVIDEND POLICY

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Article of Association of our Company . The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

For details of risks in relation to our capability to pay dividend, see "Risk Factors – Our ability to pay Dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.

Since Incorporation of our Company, no dividend has been declared till date of this Draft Prospectus.

## SECTION IX- RESTATED FINANCIAL STATEMENT

**Independent Auditors' Report on the Restated Consolidated Statement of Assets & Liabilities as at March 31, 2021 and as at March 31, 2020, and Restated Consolidated Statement of Profit & Loss for the year ended on March 31, 2021 and on March 31, 2020, and Restated Consolidated Cash Flow Statement for the year ended on March 31, 2021, and on March 31, 2020, and Restated Significant Accounting Policies and Notes to the Restated Consolidated Financial Statements and Other Annexures forming part of Restated Consolidated Financial Statements**

**To,**
**The Board of Directors**
**D.K. Enterprises Global Limited**
**Panchkula**

Dear Sir,

1. We have examined the attached Restated Consolidated Statement of Assets and Liabilities of **D.K. Enterprises Global Limited** (the "Holding Company") and its partnership firm (**M/s Satguru Engavures**) (collectively referred to as "the Group")as at 31st March, 2021, as at 31st March, 2020 and the related Restated Consolidated Statement of Profit & Loss for the year ended on March 31, 2021,and on March 31, 2020, and Restated Consolidated Cash Flow Statement for the year ended on March 31, 2021, and on March 31, 2020, annexed to this report for the purpose of inclusion in the offer document prepared by the Company (collectively the "Restated Consolidated Summary Statements" or "Restated Consolidated Financial Statements"). These Restated Consolidated Summary Statements have been prepared by the Company and approved by the Board of Directors in their meeting held on July 17, 2021of the Company in connection with the Initial Public Offering (IPO) in SME Platform of the National Stock Exchange of India Limited (NSE Emerge).

2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Statements for the purpose of inclusion in the Draft Prospectus/ Prospectus to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, Delhi in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company for the year ended on March 31, 2021 and March 31, 2020 on the basis of preparation stated in note IV to the Restated Consolidated Financial Information. The Board of Directors of the company's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulation and Guidance Note.

3. These Restated Consolidated Summary Statements have been prepared in accordance with the requirements of:

   (i) Section 26 Part I of Chapter III to the Companies Act, 2013 ("Act")read with Companies (Prospectus and Allotment of Securities) Rules 2014;

   (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;

(iii) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("Guidance Note").

4. We have examined such Restated Financial Statements taking into consideration:
   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated December 05, 2020 in connection with the proposed IPO of equity shares 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 Information; 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.

5. The Restated Consolidated Summary Statements of the Company have been extracted by the management from the Audited Consolidated Financial Statements of the Company for the financial year ended on 31st March, 2021, and 31st March, 2020 and prepared in accordance with the Indian GAAP ,which have been approved by the Board of Directors.

6. In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

   (i) The "Restated Consolidated Statement of Assets and Liabilities" as set out in Annexure A to this report, of the Company as at 31st March, 2021, and 31st March, 2020, have been prepared by the Company and approved by the Board of Directors. These Restated Consolidated Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Group, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure D to this Report.

   (ii) The "Restated Consolidated Statement of Profit and Loss" as set out in Annexure B to this report, of the Company for the year ended 31st March, 2021,and 31st March, 2020, have been prepared by the Company and approved by the Board of Directors. These Restated Consolidated Statement of Profit and Loss, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Group, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure D to this Report.

   (iii) The "Restated Consolidated Cash Flow Statement" as set out in Annexure C to this report, of the Company for the year ended 31st March, 2021, and 31st March, 2020, are prepared by the Company and approved by the Board of Directors. These Restated Consolidated Cash Flow Statement, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Group, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure D to this Report.

7. Based on the above, and according to the information & explanations made available to us by the Company and also reliance placed by us on the audited consolidated financial statements of the Company, we are of the opinion that the Restated Consolidated Financial Statements have been made after incorporating:

    a) Adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any.

    b) Adjustments for prior period and other material amounts in the respective financial years to which they relate and there are no qualifications which require adjustments.

    c) There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.

    d) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial year ended on 31st March, 2021, and 31st March, 2020, which would require adjustments in this Restated Consolidated Financial Statements of the Group.

    e) These Consolidated Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in Annexure D to this report.

    f) There were no change in Significant Accounting Policies which needs to be adjusted in the Restated Financial Statements.

    g) There were no revaluation reserves which need to be disclosed separately in the Restated Consolidated Financial Statements.

    h) The Company has not paid any dividend since its incorporation.

8. Audit for the financial year ended on 31st March, 2021, and 31st March 2020, was conducted by us and accordingly reliance has been placed on the financial information examined by us for the said years. The financial report included for these years is based solely on the report submitted by us and no routine audit has been carried out by us. Further consolidated financial statements for the financial year ended on 31st March, 2021 have been re-audited by us as per the relevant guidelines.
9. We have also examined the following other financial information relating to the Group prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Group for the financial year ended on 31st March, 2021, and 31st March, 2020, proposed to be included in the Draft Red Herring Prospectus/Prospectus **("Offer Document")**.

    **Annexures of Restated Consolidated Financial Statements of the Company:**

    1. Restated Significant Accounting Policies and Notes to Restated Financial Statements as appearing in Annexure D to this report;
    2. Reconciliation of Restated Profit as appearing in Annexure E to this report;
    3. Details of Restated Share Capital as appearing in Annexure A.1 to this report;
    4. Details of Restated Reserves and Surplus as appearing in Annexure A.2 to this report;
    5. Details of Restated Minority Interest as appearing in Annexure A.3 to this report;
    6. Details of Restated Long Term Borrowings as appearing in Annexure A.4 to this report;

7. Details of Restated Deferred Tax Liabilities (Net) as appearing in Annexure A.5 to this report;
8. Details of Restated Short Term Provisions as appearing in Annexure A.9 to this report;
9. Details of Restated Short Term Borrowings as appearing in Annexure A.6 to this report;
10. Details of Restated Trade Payables as appearing in Annexure A.7 to this report;
11. Details of Restated Other Current Liabilities as appearing in Annexure A.8 to this report;
12. Details of Restated Property, Plant & Equipment as appearing in Annexure A.10 to this report.
13. Details of Restated Loans & Advances as appearing in Annexure A.11 to this report;
14. Details of Restated Other Non- Current Assets as appearing in Annexure A.12 to this report;
15. Details of Restated Inventories as Annexure A.13 to this report;
16. Details of Restated Trade Receivables as Annexure A.14 to this report;
17. Details of Restated Cash and Cash Equivalent as appearing in Annexure A.15 to this report;
18. Details of Restated Short-Term Loans and Advances as Annexure A.16 to this report
19. Details of Restated Other Current Assets as appearing in Annexure A.17 to this report;
20. Details of Restated Revenue from Operations as appearing in Annexure B.1 to this report;
21. Details of Restated Other Income as appearing in Annexure B.2 to this report;
22. Details of Restated Cost of Material Consumed as appearing in Annexure B.3 to this report;
23. Details of Restated Changes in Inventories of FG and WIP as appearing in Annexure B.4 to this report
24. Details of Restated Employees' Benefit Expenses as appearing in Annexure B.5 to this report;
25. Details of Restated Finance Cost as appearing in Annexure B.6 to this report;
26. Details of Restated Depreciation and Amortization as appearing in Annexure B.7 to this report;
27. Details of Restated Other expenses as appearing in Annexure B.8 to this report.
28. Details of Restated Deferred Tax as appearing in Annexure B.9 to this report
29. Details of Statement of tax shelter as appearing in Annexure F to this report.
30. Details of Statement of Capitalisation as appearing in Annexure G to this report.
31. Details of Restated Statement Of Contingent Liabilities as appearing in Annexure H to this report
32. Details of Restated Accounting ratios as appearing in Annexure I to this report
33. Details of Restated Related Party Transactions as appearing in Annexure J to this report
34. Details of Restated Segment Reporting as appearing in Annexure K to this report
35. Details of Amalgamation of Proprietorship as appearing in Annexure L to this report

10. We, Deepak Jindal & Co., have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI.

11. The preparation and presentation of the Consolidated Financial Statements referred to above are based on the Audited Consolidated Financial Statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Consolidated Financial Statements and information referred to above is the responsibility of the management of the Company.

12. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

13. We have no responsibility to update our report for events and circumstances occurring after the date of the report of Restated Consolidated financial Statements and Audited Consolidated financial statements.

14. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

15. In our opinion, the above financial information contained in Annexure A to K of this report read with the respective Significant Accounting Polices and Notes to Restated Consolidated Financial Statements as set out in Annexure D 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.

16. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**For Deepak Jindal & Co.**
**Chartered Accountants**
**FRN No.- 023023N**

**Deepak Jindal**
**Partner**
**Membership No. 514745**
**Chandigarh**
**Date: August 07, 2021**
**UDIN: 21514745AAAADQ6934**

www.dkenterprises.co.in

**D.K. ENTERPRSIES GLOBAL LIMITED**

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

**(Rs. in Lakhs)**

| Sr. No. | Particulars | Note No. | As at 31st March | |
|---|---|---|---|---|
| | | | 2021 | 2020 |
| **A.** | **Equity and Liabilities** | | | |
| **1** | **Shareholders' Funds** | | | |
| | Share Capital | **A.1** | 275.50 | 205.00 |
| | Reserves & Surplus | **A.2** | 534.70 | 122.18 |
| | Minority Interest | **A.3** | 85.97 | 153.85 |
| **2** | **Non-Current Liabilities** | | | |
| | Long-Term Borrowings | **A.4** | 356.77 | 529.41 |
| | Deferred Tax Liabilities (Net) | **A.5** | 14.37 | 10.19 |
| **3** | **Current Liabilities** | | | |
| | Short Term Borrowings | **A.6** | 311.99 | - |
| | Trade Payables : | **A.7** | | |
| | (A) total outstanding dues of micro enterprises and small enterprises; and | | | |
| | (B) Total outstanding dues of creditors other than micro enterprises and small enterprises.".] | | 988.18 | 733.54 |
| | Other Current Liabilities | **A.8** | 201.57 | 150.04 |
| | Short Term Provisions | **A.9** | 9.28 | - |
| | **Total** | | **2,778.33** | **1,906.05** |
| **B.** | **Assets** | | | |
| **1** | **Non-Current Assets** | | | |
| | Property, Plant and Equipment | | | |
| | Tangible Assets | **A.10** | 1050.60 | 520.38 |
| | Intangible Assets | | 1.28 | 1.34 |
| | Capital Work in Progress | | - | 455.25 |
| | Long Term Loans & Advances | **A.11** | 24.13 | 24.06 |
| | Long Term Trade Receivables | **A.12** | 9.89 | - |
| | | | | |
| **2** | **Current Assets** | | | |
| | Inventories | **A.13** | 726.74 | 281.73 |
| | Trade Receivables | **A.14** | 682.29 | 507.78 |
| | Cash and Cash Equivalents | **A.15** | 149.08 | 29.54 |
| | Short-Term Loans and Advances | **A.16** | 119.45 | 80.27 |
| | Other Current Assets | **A.17** | 14.89 | 5.71 |
| | **Total** | | **2,778.33** | **1,906.05** |

**Note :** The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,B & C

**For Deepak Jindal & Co.**
**Chartered Accountants**
**Firm Registration No : 023023N**
**Peer Review No. : 012493**

**CA Deepak Jindal**
**Partner**
**M. No. 514745**
**UDIN:**
**21514745AAAADQ6934**

**Date : August 7, 2021**
**Place : Chandigarh**

**On behalf of Board of Directors**
**D.K. Enterprises Global Limited**

**Rakesh Kumar**
**(Managing Director)**
**DIN: 08374550**

**Baljeet Singh**
**(CFO)**

**Dhruv Rakesh**
**(Director)**
**DIN: 08374549**

**Amanpreet Kaur**
**(Company Secretary)**

## ANNEXURE – B : RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

**(Rs. in Lakhs)**

| Sr. No | Particulars | Note No. | For The Year Ended 31st March | |
|---|---|---|---|---|
| | | | 2021 | 2020 |
| **A.** | **Revenue:** | | | |
| | Revenue from Operations | **B.1** | 6,483.89 | 4511.24 |
| | Other income | **B.2** | 11.9 | 43.79 |
| | **Total revenue** | | **6495.79** | **4555.03** |
| **B.** | **Expenses:** | | | |
| | Cost of Raw Material Consumed | **B.3** | 5,247.06 | 3649.10 |
| | Changes in Inventories of FG & WIP | **B.4** | -21.49 | -29.33 |
| | Employees Benefit Expenses | **B.5** | 241.00 | 199.58 |
| | Finance costs | **B.6** | 70.79 | 55.39 |
| | Depreciation and Amortization | **B.7** | 53.30 | 34.90 |
| | Other expenses | **B.8** | 601.13 | 438.41 |
| | **Total Expenses** | | **6191.78** | **4348.05** |
| | **Profit before exceptional and extraordinary items and tax** | | **304.01** | **206.97** |
| | Exceptional Items | | | - |
| | **Profit before extraordinary items and tax** | | **304.01** | **206.97** |
| | Extraordinary items | | | - |
| | **Profit before tax** | | **304.01** | **206.97** |
| | **Tax expense :** | | | |
| | Current tax | | 55.97 | 47.27 |
| | Deferred Tax | **B.9** | 4.18 | 10.19 |
| | Tax Provision for previous year | | 1.83 | |
| | Profit (Loss) for the period from continuing operations | | **243.86** | **149.51** |
| | **Earning per equity share in Rs.:** | | | |
| | (1) Basic | | 5.91 | 4.22 |
| | (2) Diluted | | 5.91 | 4.22 |

**Note :** The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities and cash flows appearing in Annexure D,A& C.

**For Deepak Jindal & Co.**
**Chartered Accountants**
**Firm Registration No : 023023N**
**Peer Review No. : 012493**

**CA Deepak Jindal**
**Partner**

**M. No. 514745**
**UDIN: 21514745AAAADQ6934**
**Date : August 7, 2021**
**Place : Chandigarh**

**On behalf of Board of Directors**
**D.K. Enterprises Global Limited**

| **Rakesh Kumar** | **Dhruv Rakesh** |
|---|---|
| **(Managing Director)** | **(Director)** |
| **DIN: 08374550** | **DIN: 08374549** |
| **Baljeet Singh** | **Amanpreet Kaur** |
| **(CFO)** | **(Company Secretary)** |

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

**(Rs. in Lakhs)**

| Particulars | For The Year Ended 31st March | |
|---|---|---|
| **A. CASH FLOW FROM OPERATING ACTIVITIES** | **2021** | **2020** |
| Profit/ (Loss) before tax | **304.01** | **206.97** |
| Adjustments for: | | |
| Depreciation | 53.30 | 34.90 |
| Interest Income | (0.91) | (0.37) |
| Interest Expense | 70.79 | 55.39 |
| **Operating profit before working capital changes** | **427.19** | **296.89** |
| Movements in working capital : | | |
| Increase/(Decrease) in trade payables | 254.64 | 645.34 |
| Increase/(Decrease) in other current liabilities | (39.30) | 133.65 |
| (Increase)/Decrease in inventories | (445.04) | (202.97) |
| (Increase)/Decrease in trade receivables | (184.35) | (319.41) |
| Increase/(Decrease) in other long term liabilities | - | - |
| (Increase)/Decrease in short-term loans and advances | (39.18) | (35.78) |
| (Increase)/Decrease in other current assets | (2.12) | (5.33) |
| **Cash generated from operations** | **(28.17)** | **512.39** |
| Income tax paid during the year | (55.58) | 45.64 |
| **Net cash from operating activities (A)** | (83.76) | 466.75 |
| **B. CASH FLOW FROM INVESTING ACTIVITIES** | | |
| Sale/(Purchase) of Investments | | - |
| Purchase of Fixed Assets | (128.21) | (922.97) |
| Interest Received | 0.91 | 0.37 |
| Increase in Other Non-Current Assets/Loans & Advances | (0.07) | (24.06) |
| **Net cash from investing activities (B)** | **(127.36)** | **(946.66)** |
| **C. CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Interest paid on borrowings | (70.79) | (55.39) |
| Increase/(Decrease) in Short Term Borrowings | 311.99 | - |
| Change in Minority Interest | (110.73) | (54.03) |
| Proceeds/(Repayment) of Borrowings | (81.81) | 409.23 |
| Proceeds from Issue of Share Capital | - | 200.00 |
| Net Proceeds From Right Issue | 282.00 | |
| **Net cash from financing activities (C)** | **330.65** | **499.83** |
| **Net increase in cash and cash equivalents (A+B+C)** | **119.55** | **19.91** |
| **Cash and cash equivalents at the beginning of the year** | **29.52** | **5.00** |
| **Cash and cash equivalents of firm acquired during the year** | **-** | **4.63** |
| **Cash and cash equivalents at the end of the year** | **149.07** | **29.54** |

**Note :** The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities and cash flows appearing in Annexure D,A& B.

**For Deepak Jindal & Co.**
**Chartered Accountants**
**Firm Registration No : 023023N**
**Peer Review No. : 012493**

**CA Deepak Jindal**
**Partner**
**M. No. 514745**
**UDIN: 21514745AAAADQ6934**
**Date : August 7, 2021**
**Place : Chandigarh**

**On behalf of Board of Directors**
**D.K. Enterprises Global Limited**

| | |
|---|---|
| **Rakesh Kumar** | **Dhruv Rakesh** |
| **(Managing Director)** | **(Director)** |
| **DIN: 08374550** | **DIN: 08374549** |
| **Baljeet Singh** | **Amanpreet Kaur** |
| **(CFO)** | **(Company Secretary)** |

## ANNEXURE - A.1 : Restated Consolidated Statement of Share Capital

| Particulars | As at 31st March | |
|---|---|---|
| | 2021 | 2020 |
| **Equity Share Capital** | | |
| **Authorized Share Capital** | | |
| 75,00,000 Equity Shares of Rs 10 each | 750.00 | 305.00 |
| **Total** | **750.00** | **305.00** |
| **Issued, Subscribed & Fully Paid Up Share Capital** | | |
| 27,55,000 (Previous Year: 20,50,000) Equity Shares of Rs 10 each | 275.50 | 205.00 |
| **Total** | **275.50** | **205.00** |

**Notes :**

**A.1.1 Right, Preferences and Restrictions attached to Shares :**

The Company has one class of equity shares having a par value of Rs. 10/- per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.

### A.1.2 Reconciliation of No. of Shares Outstanding at the end of the year

| Particulars | As at 31st March | |
|---|---|---|
| | 2021 | 2020 |
| **Equity Shares** | | |
| Shares outstanding at the beginning of the year | 2,050,000.00 | 50,000 |
| Shares issued during the year | 705,000.00 | 2,000,000 |
| Bonus Shares issued during the year | - | - |
| Share outstanding at the end of the year | **2,755,000.00** | **2,050,000** |

**Notes :**

**A.1.2 Bonus Issue**

Our company has issued Bonus Shares in the ratio of 1:1 on April 26, 2021 i.e. after the balance sheet data but before the date on which financials statement were approved by Board of Directors.

### A.1.3 Details of Shareholding more than 5% of the aggregate shares in the company

| Name of Shareholder | 31-Mar-21 | | 31-Mar-20 | |
|---|---|---|---|---|
| | Nos | % of Holding | Nos | % of Holding |
| Dhruv Rakesh | 214,425 | 7.79% | 12,425 | 0.61% |
| Rakesh Kumar | 362,425 | 13.16% | 12,425 | 0.61% |
| Rekha Bansal | 2,162,425 | 78.49% | 2,012,425 | 98.17% |
| Kanika Rakesh | 12,425 | 0.45% | 12425 | 0.61% |
| **Total** | **2,751,700** | **99.89%** | **2,049,700** | **99.99%** |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, statement of assets and liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

## ANNEXURE – A.2 : Restated Consolidated Statement of Reserves and Surplus

**(Rs. In Lakhs)**

| Particulars | As at 31st March | |
|---|---|---|
| | 2021 | 2020 |
| **Reserves & Surplus** | | |

| | | |
|---|---|---|
| **Balance in Statement of Profit & Loss** | | |
| Balance as at the beginning of the year | 124.71 | - |
| Add: Profit for the year | 242.03 | 152.04 |
| Less : Transferred to Minority Interest | 42.85 | 27.33 |
| Balance as at the end of the year | **323.89** | **124.71** |
| **(A)** | **323.89** | **124.71** |
| **Security Premium Reserve** | | |
| Balance as at the beginning of the year | - | - |
| Add: Additions during the year | 211.50 | - |
| Balance as at the end of the year | **211.50** | **-** |
| **(B)** | **211.50** | **-** |
| **Total (A+B)** | **535.39** | |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.3 : Restated Consolidated Statement of Minority Interest**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | |
|---|---|---|
| | 2021 | 2020 |
| **Minority Interest** | | |
| Balance as at the beginning of the year | 153.85 | |
| Add: Share on date of Investment | - | 180.56 |
| Add: Transferred from Statement of Profit & Loss | 42.85 | 27.33 |
| Add: Increase/(Decrease) in Capital Post-Acquisition | (110.73) | (54.03) |
| Balance as at the end of the year | **85.97** | **153.85** |
| **Total** | **85.97** | **153.85** |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.4 :Restated Consolidated Statement of Long Term Borrowings**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | |
|---|---|---|
| | 2021 | 2020 |
| ***Secured:*** | | |
| Term Loan From Bank: | 342.68 | 381.45 |
| Vehicle Loan | 14.09 | 11.58 |
| ***Unsecured:*** | | |
| Loan From Director | - | 136.38 |
| **Total** | **356.77** | **529.41** |

**Note A.4.1:** There were no re-schedulement or default in the repayment of loans taken by the Company.
Note A.4.2 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.4.1**

**STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS (Amount in Lacs)**

| Name of Lender | Purpose | | | Securities offered | Re-Payment Schedule | Moratorium | Outstanding amount as |
|---|---|---|---|---|---|---|---|

| | | Sanctioned Amount (Rs.) | Rate of interest | | | | on (as per Books) 3/31/2021 |
|---|---|---|---|---|---|---|---|
| **D.K. Enterprises Global** | | | | | | | |
| Canara Bank-TL-007 | General Business Purpose | 15.00 | 10.10% | By P&M of Unit 1 & Unit 2 | Repayable in 60 EMI of Rs.25519 each including interest. | No Moratorium | 2.51 |
| Canara Bank-TL-004 | General Business Purpose | 27.00 | 11.05% | By P&M of Unit 1 & Unit 2 | Repayable in 60 EMI of Rs.45000 Each. | No Moratorium | 1.71 |
| Canara Bank-TL-012 | General Business Purpose | 16.00 | 11.05% | By P&M of Unit 1 & Unit 2 | Repayable in 60 EMI of Rs.26666 Each. | No Moratorium | 4.05 |
| Canara Bank-TL-017 | General Business Purpose | 50.00 | 10.40% | By P&M of Unit 1 & Unit 2 | Repayable in 60 EMI of Rs.83333 Each. | No Moratorium | 25.17 |
| Canara Bank TL-1625753000007 CVD | General Business Purpose | 27.50 | 8.05% | By P&M of Unit 1 & Unit 2 | Repayable in 18 EMI of Rs.152778 Each. | 12 Months | 21.39 |
| Canara Bank TL-1625755000049 CVD | General Business Purpose | 16.20 | 7.50% | By P&M of Unit 1 & Unit 2 | Repayable in 36 EMI of Rs.45000 Each. | 12 Months | 16.20 |
| Canara Bank-TL-028 | Vehicle Loan | 11.92 | 11.15% | | Repayable in 56 EMI of Rs.21279 Each. | No Moratorium | 7.23 |
| Canara Bank | Vehicle Loan | 5.00 | 11.05% | | Repayable in 60 EMI of Rs. 8333 Each. | No Moratorium | 1.34 |
| ICICI Bank | Vehicle Loan | 19.80 | 8.85% | | Repayable in 60 EMI of Rs. 33000 Each. | No Moratorium | 10.33 |
| **Satguru** | | | | | | | |
| Canara Bank | Expansion | 400.00 | 12.10% | Plant & Machinery and Land & Building at khasra no. 478, vill. Kundli, Baddi | Repayable in 83 EMI of Rs.4.76 each and 1 EMI of Rs. 4.92 | No Moratorium | 300.28 |
| Canara Bank | General Business Purpose | 82.00 | 6.90% | Plant and Machinery | Repayable in 36 EMI of Rs. 227778 Each. | No Moratorium | 82.00 |
| **Total** | | **670.42** | | | | | **472.20** |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, statement of assets and liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.5: Restated Consolidated Statement of Deferred Tax Assets/(Liabilities) (Net)**

**(Rs. In Lakhs)**

| Particulars | As at 31st March |
|---|---|

| | 2021 | 2020 |
|---|---|---|
| **Deferred Tax Liability** | | |
| Related to Fixed Assets | 62.86 | 39.18 |
| ***Total (a)*** | ***62.86*** | ***39.18*** |
| **Deferred Tax Assets** | | |
| Provision For Disallowance of Expenses | 5.77 | - |
| ***Total (b)*** | ***5.77*** | ***-*** |
| ***Net deferred tax asset/(liability){(a)-(b)}*** | ***57.09*** | ***39.18*** |
| ***Deferred Tax Liabilities( Tax Impact)*** | ***14.37*** | **10.19** |

Note A.5.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.6 : Restated Consolidated Statement of Short Term Borrowings**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | |
|---|---|---|
| | 2021 | 2020 |
| **Unsecured Loan Repayable on Demand :** | | |
| From Directors | - | - |
| Working Capital Borrowings From Banks (Secured) | 311.99 | - |
| **Total** | **311.99** | **-** |

Note A.6.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.7 : Restated Consolidated Statement of Trade Payables**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | |
|---|---|---|
| | 2021 | 2020 |
| | | |
| Trade Payables due to | | |
| - Micro and Small Enterprises | 988.18 | 733.54 |
| **- Others** | | |
| - Promotor/Promotor Group | | |
| - Others | | - |
| **Total** | **988.18** | **733.54** |

Note A.7.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.8 : Restated Consolidated Statement of Other Current Liabilities**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | |
|---|---|---|
| | 2021 | 2020 |
| Current Maturity of Long Term Debt | 108.35 | 20.19 |
| Current Maturity of Vehicle Loan | 7.07 | 4.40 |
| Statutory Remittances | 17.00 | 18.80 |
| Provision for Employee Benefits | 10.97 | 14.12 |
| Advance From Customer | 3.08 | 5.30 |

| | | |
|---|---|---|
| Other Liabilities | 55.10 | 87.23 |
| **Grand Total** | **201.57** | **150.04** |

Note A.8.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.9 : Restated Consolidated Statement of Short Term Provisions**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | |
|---|---|---|
| | 2021 | 2020 |
| Provision for Income Tax | 9.28 | - |
| **Total** | **9.28** | **-** |

Note A.9.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

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**A-10 Property, Plant and Equipment 2020-2021**

**(Rs. In Lakhs)**

| Particulars | Gross Block | | | | | Depreciation | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at April 2020 | Additions during the Year | Sales | Total | As at 31st March 2021 | As at 1 April 2020 | During the Year | Total 31 March 2021 | As At 31 March 2021 | As At 31 March 2020 |
| **(A) TANGIBLE ASSETS** | | | | | | | | | | |
| Land | 43.06 | - | | 43.06 | 43.06 | - | - | - | 43.06 | 43.06 |
| Computer | 1.77 | 2.84 | | 4.60 | 4.60 | 0.48 | 0.98 | 1.46 | 3.14 | 1.29 |
| Plant & Machinery | 271.15 | 489.18 | | 760.33 | 760.33 | 12.54 | 35.26 | 47.80 | 712.53 | 258.61 |
| Genset | 6.16 | 0.00 | | 6.16 | 6.16 | 0.36 | 0.39 | 0.75 | 5.42 | 5.81 |
| Furniture & Fixtures | 5.68 | 1.22 | | 6.90 | 6.90 | 0.40 | 0.62 | 1.02 | 5.88 | 5.27 |
| Electric Installation | 12.70 | 1.81 | | 14.50 | 14.50 | 0.40 | 1.30 | 1.70 | 12.80 | 12.30 |
| Misc. Fixed Assets | 0.64 | - | | 0.64 | 0.64 | 0.06 | 0.06 | 0.12 | 0.52 | 0.58 |
| Vehicles | 73.57 | 10.40 | | 83.97 | 83.97 | 6.01 | 7.10 | 13.11 | 70.86 | 67.56 |
| Building | 103.53 | 75.44 | | 178.98 | 178.98 | 0.26 | 4.48 | 4.74 | 174.24 | 103.28 |
| Transformer | 4.80 | - | | 4.80 | 4.80 | 0.08 | 0.30 | 0.38 | 4.42 | 4.72 |
| Solar System | 12.07 | - | | 12.07 | 12.07 | 0.70 | 0.76 | 1.47 | 10.61 | 11.37 |
| Office Equipments | 7.85 | 2.22 | | 10.06 | 10.06 | 1.32 | 1.63 | 2.94 | 7.12 | 6.53 |
| **TOTAL (A)** | **542.98** | **583.10** | **-** | 1,126.08 | **1,126.08** | **22.60** | **52.88** | **75.48** | **1,050.60** | **520.38** |
| **Previous Year Figures** | **88.90** | **466.33** | **0.23** | **554.99** | **554.99** | **-** | **34.62** | **34.62** | **520.38** | **88.90** |
| **(B) INTANGIBLE ASSETS** | | | | | | | | | | |
| Goodwill | 1.62 | - | - | 1.62 | 1.62 | 0.28 | 0.31 | 0.59 | 1.03 | 1.34 |
| Software | - | 0.36 | - | 0.36 | 0.36 | - | 0.11 | 0.11 | 0.25 | - |
| **TOTAL (B)** | **1.62** | **0.36** | **-** | **1.98** | **1.98** | **0.28** | **0.42** | **0.70** | **1.28** | **1.34** |
| **Previous Year Figures** | **-** | **1.62** | **-** | **1.62** | **1.62** | **-** | **0.28** | **28,229** | **133,851** | **-** |
| **(C) CAPITAL WORK IN PROGRESS** | 455.25 | - | 455.25 | - | - | - | - | - | - | 455.25 |
| **TOTAL (C)** | **455.25** | **-** | **455.25** | **-** | **-** | **-** | **-** | **-** | **-** | **455.25** |
| **Previous Year Figures** | **-** | **455.25** | **-** | **455.25** | **-** | **-** | **-** | **-** | **-** | **-** |

**A-10 Property, Plant And Equipment 2019-2020**

**(Rs. In Lakhs)**

| Particulars | Gross Block | | | | | Depreciation | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at 1 April 2019 | Additions during the Year | Sales | Total | As at 31st March 2020 | As at 1 April 2019 | During the Year | Total 31st Mar 2020 | As At 31 March 2020 | As At 31March 2019 |
| **(A) TANGIBLE ASSETS** | | | | | | | | | | |
| Land | 12.06 | 31.00 | - | 43.06 | 43.06 | - | - | - | 43.06 | 12.06 |
| Computer | 0.17 | 1.66 | - | 1.83 | 1.83 | - | 0.54 | 0.54 | 1.29 | 0.17 |
| Plant & Machinery | 45.66 | 232.08 | 0.23 | 277.51 | 277.51 | - | 18.90 | 18.90 | 258.61 | 45.66 |
| Genset | - | 6.16 | - | 6.16 | 6.16 | - | 0.36 | 0.36 | 5.81 | - |
| Furniture & Fixtures | 0.50 | 5.24 | - | 5.74 | 5.74 | - | 0.47 | 0.47 | 5.27 | 0.50 |
| Electric Installation | - | 12.70 | - | 12.70 | 12.70 | - | 0.40 | 0.40 | 12.30 | - |
| Misc. Fixed Assets | - | 0.64 | - | 0.64 | 0.64 | - | 0.06 | 0.06 | 0.58 | - |
| Vehicles | - | 73.57 | - | 73.57 | 73.57 | - | 6.01 | 6.01 | 67.56 | - |
| Building | 30.52 | 78.55 | - | 109.07 | 109.07 | - | 5.79 | 5.79 | 103.28 | 30.52 |
| Transformer | - | 4.80 | - | 4.80 | 4.80 | - | 0.08 | 0.08 | 4.72 | - |
| Solar System | - | 12.07 | - | 12.07 | 12.07 | - | 0.70 | 0.70 | 11.37 | - |
| Office Equipments | - | 7.85 | - | 7.85 | 7.85 | - | 1.32 | 1.32 | 6.53 | - |
| **TOTAL (A)** | **88.90** | **466.33** | **0.23** | **554.99** | **554.99** | **-** | **34.62** | **34.62** | **520.38** | **88.90** |
| **Previous Year Figures** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **(B) INTANGIBLE ASSETS** | | | | | | | | | | |
| Goodwill | - | 1.62 | - | 1.62 | 1.62 | - | 0.28 | 0.28 | 1.34 | - |
| **TOTAL (B)** | **-** | **1.62** | **-** | **1.62** | **1.62** | **-** | **0.28** | **0.28** | **1.34** | **-** |
| **Previous Year Figures** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **(C) CAPITAL WORK IN PROGRESS** | - | 455.25 | - | 455.25 | 455.25 | - | - | - | 455.25 | - |
| **TOTAL (C)** | **-** | **455.25** | **-** | **455.25** | **455.25** | **-** | **-** | **-** | **455.25** | **-** |
| **Previous Year Figures** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |

**ANNEXURE – A.11: Restated Consolidated Statement of Long Term Loans & Advances**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | |
|---|---|---|
| | 2021 | 2020 |
| Security Deposits | 24.13 | 24.06 |
| **Total** | **24.13** | **24.06** |

Note A.11.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.12 : Restated Standalone Statement of Long Term Trade Receivables**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | |
|---|---|---|
| | 2021 | 2020 |
| **Long Term Trade Receivables** | | - |
| From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies. (For Related Party Transactions Refer Annexure J) | | |
| Others | 9.89 | |
| **Total** | **9.89** | **-** |

Note A.12.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.13 : Restated Standalone Statement of Inventories**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | |
|---|---|---|
| | 2021 | 2020 |
| Raw Material | 675.96 | 252.41 |
| Work In Progress | 17.02 | 13.93 |
| Finished Goods | 33.76 | 15.40 |
| **Total** | **726.74** | **281.74** |

Note A.13.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.14 : Restated Consolidated Statement of Trade Receivables**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | |
|---|---|---|
| | 2021 | 2020 |
| **Outstanding for a period exceeding six months (Unsecured and considered Good)** | | |
| From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies. | | |
| Others | 3.41 | 8.16 |
| **Outstanding for a period not exceeding 6 months (Unsecured and considered Good)** | | |
| From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies. | | 0.31 |
| Others | 678.88 | 499.31 |
| **Total** | **682.29** | **507.78** |

Note A.14.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.15 : Restated Consolidated Statement of Cash and Bank Balances**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | |
|---|---|---|
| | 2021 | 2020 |
| Cash & Cash Equivalents | | |
| Cash in hand | 6.45 | 11.00 |
| Balances with Banks: | | |

| | | |
|---|---|---|
| Current Accounts | 142.63 | 18.54 |
| **Total** | **149.08** | **29.54** |

Note A.15.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C..

**ANNEXURE – A.16 : Restated Consolidated Statement of Short Term Loans and Advances**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | |
|---|---|---|
| | 2021 | 2020 |
| Advances to Suppliers | 65.68 | 33.06 |
| Other Loans & Advances | 54.46 | 47.90 |
| **Total** | **120.14** | **80.96** |

Note A.16.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.17 : Restated Consolidated Statement of Other Current Assets**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | |
|---|---|---|
| | 2021 | 2020 |
| Preliminary Expenses | 12.45 | 2.92 |
| Prepaid Expense | 2.44 | 2.79 |
| **Total** | **14.89** | **5.71** |

Note A.17.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.1: Restated Consolidated Statement of Revenue from Operations**

**(Rs. In Lakhs)**

| Particulars | For The Year Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| Turnover from Sale of Goods (For Related Party Transactions Refer Annexure J) | 6,470.96 | 4505.95 |
| Other Operating Income | 12.93 | 5.28 |
| **Revenue from operations** | **6,483.89** | **4,511.24** |

Note B.1.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.2 : Restated Consolidated Statement of Other Income**

**(Rs. In Lakhs)**

| Particulars | For The Year Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| Interest Income | 0.91 | 0.37 |
| Discount Received | 3.21 | 8.82 |
| Misc. Income | 7.78 | 34.60 |
| **Total** | **11.90** | **43.79** |

Note B.2.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.3 : Restated Standalone Statement of Cost of Material Consumed**

**(Rs. In Lakhs)**

| Particulars | For The Year Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| Opening Stock | 252.41 | 78.76 |
| Add : Purchases During The Year (For Related Party Transactions Refer Annexure J) | 5,670.61 | 3,822.75 |
| | 5,923.02 | 3,901.51 |
| Less : Closing Stock | 675.96 | 252.41 |

| | | |
|---|---|---|
| **Total** | **5,247.06** | **3,649.10** |

Note B.3.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.4 : Restated Standalone Statement of Changes in Inventories of FG & WIP**

**(Rs. In Lakhs)**

| Particulars | For The Year Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| Stock at Close-Finished | 33.80 | 15.40 |
| Stock at Close-WIP | 17.02 | 13.93 |
| | **50.82** | **29.33** |
| Stock at Commencement-Finished | 15.40 | - |
| Stock at Commencement-WIP | 13.93 | - |
| | **29.33** | - |
| (Increase)/Decrease in Stock | (21.49) | (29.33) |
| **Total** | **(21.49)** | **(29.33)** |

Note B.4.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.5 : Restated Consolidated Statement of Employee Benefit Expense**

**(Rs. In Lakhs)**

| Particulars | For The Year Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| Salaries, wages and Other Benefits (For Related Party Transactions refer Annexure J) | 162.72 | 135.30 |
| Director Remuneration (For Related Party Transactions refer Annexure J) | 36.00 | 31.50 |
| Bonus Expenses | 4.22 | 5.92 |
| Gratuity Expenses | 10.78 | 4.46 |
| Staff Welfare Exp | 15.08 | 15.31 |
| Provident Fund Expenses | 12.20 | 7.09 |
| **Total** | **241.00** | **199.58** |

Note B.5.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.6 : Restated Consolidated Statement of Finance costs**

**(Rs. In Lakhs)**

| Particulars | For The Year Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| Interest Expense - Banks | 59.73 | 42.20 |
| Interest Expense - Other (For Related Party Transactions refer Annexure J) | 11.06 | 13.19 |
| **Total** | **70.79** | **55.39** |

Note B.6.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.7 : Restated Consolidated Statement of Depreciation & Amortization**

**(Rs. In Lakhs)**

| Particulars | For The Year Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| Depreciation | 52.88 | 34.62 |
| Amortization | 0.42 | 0.28 |
| **Total** | **53.30** | **34.90** |

Note B.7.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.8 : Restated Consolidated Statement of Other Expenses**

**(Rs. In Lakhs)**

| Particulars | For The Year Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| Bank Charges | 12.63 | 9.88 |

| | | |
|---|---|---|
| Power & Fuel | 204.08 | 140.32 |
| Office Rent (For Related Party Transactions refer Annexure J) | 39.03 | 18.37 |
| Repairs and Maintenance | 56.00 | 70.52 |
| Travelling Exp. | 0.85 | 11.05 |
| Other Manufacturing Expenses | 45.38 | 33.57 |
| Selling Expenses | 191.75 | 130.92 |
| Administrative Expenses | 51.41 | 23.78 |
| **Total** | **601.13** | **438.41** |

Note B.8.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.9 : Restated Consolidated Statement of Deferred Tax Asset / Liabilities**

**(Rs. In Lakhs)**

| Particulars | For The Year Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| WDV as per Companies Act, 2013 (A) | 361.83 | 359.45 |
| WDV as per Income tax Act, 1961 (B) | 298.97 | 320.27 |
| Difference in WDV (A-B) | (62.86) | (39.18) |
| Gratuity- DTA | 5.77 | - |
| Restated Closing Balance of Deferred Tax Asset / (Liability) | (14.37) | (10.19) |
| DTA/(DTL) Balance as per Books | | - |
| Additional Provision to be made/Reversal of Provision/ Creation of Deferred Tax Asset | 4.18 | 10.19 |

Note B.9.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.5.1**
**STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS**

A) Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Directors/Promoters/Promoter Group /Associates/Relatives of Directors/Group Companies/other entities
Unsecured Loans from Promoters/Directors are interest free and all are taken without any preconditions attached towards repayments.

| Name of Lender | Purpose | Rate of interest | Re-Payment Schedule | Moratorium | Outstanding amount as on (as per Books) |
|---|---|---|---|---|---|
| | | | | | 3/31/2021 |
| NIL- | | | | | |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, statement of assets and liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – E: STATEMENT OF MATERIAL ADJUSTMENT TO THE RESTATED CONSOLIDATED FINANCIAL STATEMENT**

**1 Material Regrouping**

Appropriate adjustments have been made in the Restated Standalone Financial Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the regroupings as per the audited financial statements of the company and the requirements of SEBI Regulations.

**2. Material Adjustments:**

The Summary of results of restatement made in the Audited Standalone Financial Statements for the respective years and its impact on the profit/(loss) of the Company is as follows:

| Particulars | For The Year Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| **(A) Net Profits as per audited financial statements (A)** | 242.02 | 152.03 |
| **Add/(Less) : Adjustments on account of -** | | |
| 1) Prepaid exp of P.Y. Trf to Exps | - | - |
| 2)Prepaid Expenses of current Year | - | |
| 3)Provision for Interest accrued but not Due | - | - |
| 4) Previous Year Expenses transferred to Current year | - | - |

| Particulars | For The Year Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| 4)Reversal of Interest Accrued but not due for previous year | - | - |
| 5) Difference on Account of Calculation in Deferred Tax | - | - |
| 6) Change in Provision for Current Tax | 1.83 | (0.78) |
| 7) Difference on account of Foreign Exchange Gain | - | - |
| 8) Difference on Account of Provision for Gratuity | - | - |
| 9) Difference on Account of Misc Exp | - | |
| **Total Adjustments (B)** | **1.83** | **(0.78)** |
| **Restated Profit/ (Loss) (A+B)** | **243.85** | **151.25** |
| | 1.82 | 0.01 |

**3. Notes on Material Adjustments pertaining to prior years**

**(1) Prepaid Expenses charged to Profit & Loss Account**
Expenses related to Next year were transferred in Prepaid of Current Year

**(2) Provision for Interest Accrued but not due**
Provision for Interest accrued on loan EMI but not due has been made in restated financials.

**(3) Difference on Account of Calculation in Deferred Tax**
Deferred tax is calculated on the difference of WDV as per Companies Act & income tax Act in Restated financials but in Audited financials the same has been calculated between differences of Depreciation.

**(4) Change in Provision for Current Tax**
Since the Restated profit has been changed so that the Provision for current tax is also got changed

**(5) Difference on Account of Foreign Exchange Gain/loss**
Foreign Exchange gain/loss is calculated on the closing balance of foreign debtors in restated financials.

**(6) Difference on account for Provision for Gratuity**
Provision for Gratuity has been made in restated financials to comply with requirements of AS – 15

**ANNEXURE - F: RESTATED CONSOLIDATED STATEMENT OF TAX SHELTERS**

| Sr. No | Particulars | As at 31st March | |
|---|---|---|---|
| | | 2021 | 2020 |
| **A** | **Restated Profit before tax** | 304.01 | 206.97 |
| | Short Term Capital Gain at special rate | | 0.00 |
| | Partnership profit | 101.00 | 78.41 |
| | Normal Corporate Tax Rates (%) | 22% | 25.00% |
| | Partnership tax rate | 31.20% | 31.20% |
| | Short Term Capital Gain at special rate | 16.69% | 16.69% |
| | MAT Tax Rates (%) | 16.69% | 16.69% |
| **B** | **Tax thereon (including surcharge and education cess)** | **25.17%** | **26.00%** |
| | Tax on Partnership Firm | 31.51 | 24.46 |
| | **Total (Only Subsidiary Firm)** | **31.51** | **24.46** |
| | **Adjustments:** | | |
| **C** | **Permanent Differences** | | |
| | Deduction allowed under Income Tax Act | | |
| | Exempt Income | | 0 |
| | Allowance of Expenses under the Income Tax Act Section 35 | | |
| | Disallowance of Income under the Income Tax Act | - | - |
| | 80IC Deduction (Firm) | | 10.92 |
| | Disallowance of Expenses under the Income Tax Act | - | 0.30 |
| | **Total Permanent Differences** | **-** | **(10.62)** |
| **D** | **Timing Differences** | | |
| | Difference between Depreciation as per Income tax, 1961 and Companies Act 2013 | (72.50) | - |

| Sr. No | Particulars | As at 31st March | |
|---|---|---|---|
| | | 2021 | 2020 |
| | Provision for Gratuity disallowed | 0.00 | 0 |
| | Expense disallowed u/s 43B | | 0 |
| | **Total Timing Differences** | **(72.50)** | **-** |
| **E** | **Net Adjustments E= (C+D)** | **(72.50)** | **(10.62)** |
| **F** | **Tax expense/(saving) thereon** | (22.62) | (3.31) |
| **G** | **Total Income/(loss) (A+E)** | **231.51** | **196.36** |
| | Taxable Income/ (Loss) as per MAT | 304.01 | 206.97 |
| **I** | **Income Tax as per normal provision** | 8.89 | 21.15 |
| **J** | **Income Tax under Minimum Alternative Tax under Section 115 JB of the Income Tax Act** | - | - |
| | **Net Tax Expenses (Higher of I,J)** | 8.89 | 21.15 |
| **K** | Relief u/s 90/91 | | |
| | **Total Current Tax Expenses** | **8.89** | **21.15** |
| **L** | Adjustment for Interest on income tax/ others | 0 | 0.00 |
| **M** | Total Tax Expenses of Holding Company | 47.08 | 24.39 |
| | **Total Current Tax Expenses** | **55.97** | **45.54** |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, statement of assets and liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - G: RESTATED CONSOLIDATED STATEMENT OF CAPITALISATION**

**(Rs. In Lakhs)**

| Sr. No | Particulars | Pre issue | Post issue |
|---|---|---|---|
| | **Debts*** | | |
| A | Long Term Debt | 472.19 | 472.19 |
| B | Short Term Debt | 311.99 | 311.99 |
| C | **Total Debt** | **784.18** | **784.18** |
| | **Equity Shareholders Funds** | | |
| | Equity Share Capital | 275.50 | 750.80 |
| | Reserves and Surplus# | 522.94 | 767.64 |
| D | **Total Equity** | **798.44** | **1,518.44** |
| E | **Total Capital** | **1,582.62** | **2,302.62** |
| | Long Term Debt/ Equity Ratio (A/D) | 0.59 | 0.31 |
| | Total Debt/ Equity Ratio (C/D) | 0.98 | 0.52 |

**Notes :**

1) Long Term Debt are borrowings other than short-term borrowings and also includes current maturities of long- term debt included in other current liabilities.

* The amounts are consider as outstanding as on 31.03.2021

# After Adjusting preliminary expenses to the extent not written off

**ANNEXURE - H: RESTATED CONSOLIDATED STATEMENT OF CONTINGENT LIABILITIES**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | |
|---|---|---|
| | 2021 | 2020 |
| 1.Bank Guarantee/ LC Discounting for which FDR margin money has been given to the bank as Security | | - |
| 2. Capital Commitment | | - |
| 3. Income Tax Demand | | - |
| 4. TDS Demands | 0.06 | - |
| 5. ESIC Demand | | - |
| **Total** | **0** | - |

**ANNEXURE - I: RESTATED CONSOLIDATED STATEMENT OF ACCOUNTING RATIOS**

| Particulars | As at 31st March | |
|---|---|---|
| | 2021 | 2020 |
| Restated PAT as per P& L Account (Rs. in Lakhs) | 242.03 | 151.24 |

| Particulars | As at 31st March | |
|---|---|---|
| | 2021 | 2020 |
| **EBITDA** | 428.10 | 297.26 |
| **Actual No. of Equity Shares outstanding at the end of the period** | 2,755,000 | 2,050,000 |
| Weighted Average Number of Equity Shares at the end of the Period (Note -2) | 2,061,589 | 1,770,548 |
| Net Worth | 798.44 | 329.71 |
| Current Assets | 1693.14 | 905.72 |
| Current Liabilities | 1511.02 | 883.58 |
| No Of Shares (Pre Bonus) | 2061589 | 1770548 |
| No Of Shares (Post Bonus) | 3541096 | 3541096 |
| **Earnings Per Share** | | |
| Basic EPS (Pre Bonus) | 11.74 | 8.54 |
| Eps (Post Bonus) | 6.83 | 4.27 |
| **Return on Net Worth (%)** | 30.31% | 45.87% |
| **Net Asset Value Per Share** | | |
| **Pre Bonus** | 28.98 | 16.08 |
| **Post Bonus** | 14.49 | 16.08 |
| **Current Ratio** | 1.12 | 1.03 |
| **EBITDA** | 428.10 | 297.26 |
| Nominal Value per Equity share(Rs.) | 10 | 10 |

* The Company does not have any diluted potential Equity Shares. Consequently the basic and diluted profit/earning per share of the company remain the same.

Notes:

1) The ratios have been calculated as below:
   a) Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the year.
   b) Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the year.
   c) Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100
   d) Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the year/ Total Number of Equity Shares outstanding during the year.

2) Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. Further, number of shares are after considering impact of the bonus shares in the ratio of 1 bonus share for 1 fully paid up equity share to the existing shareholders Alloted on April 26, 2021 i.e. after the balance sheet date but before the date on which financials are approved by Board of Directors.

3) Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.

4) Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss)

5) The figures disclosed above are based on the Restated Financial Statements of the Company.

**ANNEXURE - H: RESTATED CONSOLIDATED STATEMENT OF CONTINGENT LIABILITIES**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | |
|---|---|---|
| | 2021 | 2020 |
| 1. Bank Guarantee/ LC Discounting for which FDR margin money has been given to the bank as Security | - | - |
| 2. Capital Commitment | - | - |
| 3. Income Tax Demand | 0.16 | - |
| 4. TDS Demands | 0.03 | - |
| 5. ESIC Demand | - | - |
| **Total** | **0.19** | - |

**ANNEXURE - I: RESTATED CONSOLIDATED STATEMENT OF ACCOUNTING RATIOS**

| Particulars | As at 31st March |
|---|---|

| | 2021 | 2020 |
|---|---|---|
| Restated PAT as per P& L Account (Rs. in Lakhs) | 242.03 | 151.24 |
| **EBITDA** | 428.10 | 297.26 |
| **Actual No. of Equity Shares outstanding at the end of the period** | 2,755,000 | 2,050,000 |
| Weighted Average Number of Equity Shares at the end of the Period (Note -2) | 2,061,589 | 1,770,548 |
| Net Worth | 798.44 | 329.71 |
| Current Assets | 1693.14 | 905.72 |
| Current Liabilities | 1511.02 | 883.58 |
| No Of Shares (Pre Bonus) | 2061589 | 1770548 |
| No Of Shares (Post Bonus) | 3541096 | 3541096 |
| **Earnings Per Share** | | |
| Basic EPS (Pre Bonus) | 11.74 | 8.54 |
| Eps (Post Bonus) | 6.83 | 4.27 |
| **Return on Net Worth (%)** | 30.31% | 45.87% |
| **Net Asset Value Per Share** | | |
| **Pre Bonus** | 28.98 | 16.08 |
| **Post Bonus** | 14.49 | 16.08 |
| **Current Ratio** | 1.12 | 1.03 |
| **EBITDA** | 428.10 | 297.26 |
| Nominal Value per Equity share(Rs.) | 10 | 10 |

***** The Company does not have any diluted potential Equity Shares. Consequently the basic and diluted profit/earning per share of the company remain the same.

Notes :

1) The ratios have been calculated as below:
   a) Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the year.
   b) Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the year.
   c) Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100
   d) Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the year/ Total Number of Equity Shares outstanding during the year.

2) Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. Further, number of shares are after considering impact of the bonus shares in the ratio of 1 bonus share for 1 fully paid up equity share to the existing shareholders Alloted on April 26, 2021 i.e. after the balance sheet date but before the date on which financials are approved by Board of Directors.

3) Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.

4) Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss).

5) The figures disclosed above are based on the Restated Financial Statements of the Company.

**ANNEXURE – J (A) : RESTATED CONSOLIDATED STATEMENT OF RELATED PARTY DISCLOSURES**

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.

A. List of Related Parties and Nature of Relationship:

| Particulars | Name of Related Parties |
|---|---|
| **1. Other Related Parties:** | |
| a) Key Management Personnel's | Mr. Dhruv Rakesh |
| | Mr. Rakesh Kumar |
| | Mrs. Rekha Bansal |
| | Ms. Amanpreet Kaur (Company's Secretary) |
| | Mr. Baljeet Singh (CFO) |
| b) Concern's in which KMP or their relatives are interested | D.K. Enterprises (Proprietorship of Mrs. Rekha Bansal) |
| | Rakesh Kumar HUF |

| | |
|---|---|
| | Sankyo Enterprises (Proprietorship of Mr. Dhruv Rakesh) |

Note 1 : The above statements should be read with the significant accounting policies and notes to restated summary, statement of assets and liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - J(B) - Transactions carried out with related parties referred to in (1) above, in ordinary course of business:**

**(Rs. In Lakhs)**

| Nature of Transactions | Name of Related Parties | As at March 31 | |
|---|---|---|---|
| | | 2021 | 2020 |
| 1.Directors Remuneration | Mr. Dhruv Rakesh | 12.00 | 10.50 |
| | Mr. Rakesh Kumar | 24.00 | 21.00 |
| **Total** | | **36.00** | **31.50** |
| 2. Office Rent paid | Mr. Dhruv Rakesh | 4.80 | - |
| | Mrs Rekha Bansal | 28.80 | 12.60 |
| **Total** | | **33.60** | **12.60** |
| 3. Loan Received (Paid) during the Year to Related Parties | **Rakesh Kumar HUF** | | |
| | Opening Balance | 46.38 | - |
| | Loan Received during the year | 5.33 | 46.38 |
| | Loan Paid during the year | (51.72) | |
| | **Closing Balance** | | **46.38** |
| | **Mr. Rakesh Kumar** | | |
| | Opening Balance | 90.00 | - |
| | Loan Received during the year | 5.73 | 90.00 |
| | Loan Paid during the year | (95.73) | |
| | **Closing Balance** | **-** | **90.00** |
| 4. Salary to KMP | Mr. Baljeet Singh (CFO) | 5.95 | - |
| | Ms. Amanpreet Kaur (Company's Secretary) | 0.51 | - |
| **Total** | | **6.46** | **-** |
| 5. Sale to Related Parties | D.K. Enterprises (Proprietorship of Mrs. Rekha Bansal) | - | 437.76 |
| **Total** | | | **437.76** |
| 6. Purchase from Related Parties | Sankyo Enterprises | 38.81 | 19.73 |
| | D.K. Enterprises (Proprietorship of Mrs. Rekha Bansal) | - | 32.91 |
| **Total** | | **38.81** | **52.64** |
| 7.Right Issue of Shares | Mr. Dhruv Rakesh | 80.80 | - |
| | Mr. Rakesh Kumar | 140.00 | - |
| | Mrs. Rekha Bansal | 60.00 | - |
| | Mr. Baljeet Singh (CFO) | 0.40 | - |
| | | **281.20** | **-** |
| 8. Interest on Loan | Mr. Rakesh Kumar | 5.73 | 8.73 |
| | Rakesh Kumar HUF | 5.33 | 4.46 |
| **Total** | | **11.06** | **13.19** |
| 9. Takeover | DK Enterprises* | - | 200.00 |
| **Total** | | **-** | **200.00** |

*Proprietorship of Rekha Bansal - "D.K. Enterprise" was acquired in the F.Y. 2019-20 for the comsideration of Rs. 200 Lacs by issue of 2000000 equity shares of Rs. 10 for consideration other than Cash

Note : The above statements should be read with the significant accounting policies and notes to restated summary, statement of assets and liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - J(C) - Outstanding Balance as at the end of the year**

**(Rs. In Lakhs)**

| Nature of Transactions | Name of Related Parties | 2021 | 2020 |
|---|---|---|---|
| 1. Payables | Mr. Rakesh Kumar | - | 90.00 |
| | Rakesh Kumar HUF | - | 46.38 |
| **Total** | | **-** | **136.38** |
| 2. Receivables | Sankyo Enterprises | - | 0.31 |

| | | |
|---|---|---|
| **Total** | **-** | **0.31** |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, statement of assets and liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - K - Segment Reporting FY 2020-21**

The company operates in the business segment of BOPP Tape & laminates, corrugated sheet and boxes & soap stiffeners. As such the activities are defined as two different segments in accordance with the Accounting Standard (AS-17) issued under Companies (Accounting Standards) Rules 2006, as amended up to date.

**Segment Reporting Disclosure**

**(Rs. In Lacs)**

| Particulars | BOPP Tape and Laminates | Corrugated Sheets and Boxes | Soap Stiffener | Other | Eliminations | Unallocable Items | Consolidated Total |
|---|---|---|---|---|---|---|---|
| | Current Year | Current Year | Current Year | Current Year | Current Year | Current Year | Current Year |
| | | | | | | | |
| **REVENUE** | | | | | | | |
| External Sales | | | | | | | |
| Indigenous | 2,802.96 | 1,530.28 | 2,666.36 | 1.53 | -682.33 | - | **6,317.26** |
| Export | 152.14 | - | | - | - | - | **153.69** |
| Inter Segment Sales | 37.38 | - | | 131.42 | -168.8 | - | **-** |
| **Total Sales** | **2,992.49** | **1,530.28** | **2,666.36** | **132.95** | **-851.13** | **-** | **6,470.95** |
| Miscellaneous Income - | | | | | | | |
| Operating | 12.6 | 0.33 | - | | - | - | **12.93** |
| Non-Operating | 0.4 | 0.51 | 10.88 | 0.12 | - | - | **11.91** |
| **Segment Revenue** | **3,005.49** | **1,531.12** | **2,677.24** | **133.07** | **-851.13** | **-** | **6,495.79** |
| **Total Revenue** | **3,005.49** | **1,531.12** | **2,677.24** | **133.07** | **-851.13** | **-** | **6,495.79** |
| **RESULT** | | | | | | | |
| **Segment Result** | **200.24** | **34.78** | **151.69** | **0.71** | **-** | **-** | **387.41** |
| Unallocated Corporate Expenses | - | - | | | - | - | **-** |
| Interest Expense | 31.69 | 1.03 | 50.69 | | - | | **83.42** |
| **Profit Before Taxation** | **-** | **-** | | | **-** | **-** | **304** |
| Income Taxes | - | - | | | - | -61.98 | **-61.98** |
| **Profit Before Prior Period Expenses** | **-** | **-** | | | **-** | **-** | **242.02** |
| Prior Period Expenses | - | - | | | - | - | **-** |
| **Profit For the Year** | **-** | **-** | | | **-** | **-** | **242.02** |
| **OTHER INFORMATION** | | | | | | | |
| Segment Assets | 1,091.01 | 314.9 | 1,235.33 | 136.91 | - | - | **2,778.15** |
| Unallocated Corporate Assets | - | - | | | - | 0.88 | 0.88 |
| **Total Assets** | **1,091.01** | **314.9** | **1,235.33** | **136.91** | **-** | **0.88** | **2,779.03** |
| Segment Liabilities | 469.55 | 561.78 | 836.48 | | - | 14.37 | 1,882.17 |
| **Total Liabilities** | **469.55** | **561.78** | **836.48** | | - | **14.37** | **1,882.17** |
| Depreciation | 29.51 | 0.11 | 23.67 | | - | - | 53.3 |

The company has three primarily reportable business segments as follows:-

**(a) Business Segments**

For management purposes the company is organized into three major reportable segments:

(1) BOPP Tape and laminates
(2) Corrugated sheets and boxes
(3) Soap Stiffeners

The divisions are the basis on which the company reports its primary segment information. The 'BOPP Tape and laminates' segment produces BOPP Tape, Laminate and liner. The 'Corrugated sheets and boxes' segment manufactures Corrugated sleeves, sheets and Boxes. The "Soap stiffeners" segment manufactures soap paper and stiffeners.

**(b) Segment revenues and expenses**

All segment revenues and expenses are directly attributable to the segments.

**(c) Segment assets and liabilities:**

Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

**(d) Inter-segment transfers:**

Segment revenue, segment expenses and segment result include transfers between business segments and between geographical segments. Such transfers are accounted for at competitive market prices charged to unaffiliated customers for similar goods. Those transfers are eliminated in consolidation.

**(e) Accounting policies:**

The accounting policies consistently used in the preparation of the financial statements are also applied to items of revenues and expenditure in individual segments.

**(f) Unallocable and Head office expenses**

General administrative expenses, head-office expenses, and other expenses that arise at the corporate level and relate to the Group as a whole, are shown as unallocable item.

**ANNEXURE - K - Segment Reporting 2019-2020**

The company operates in the business segment of BOPP Tape & laminates, Corrugated sheet and boxes & soap stiffeners. As such the activities are defined as two different segments in accordance with the Accounting Standard (AS-17 ) issued under Companies (Accounting Standards) Rules 2006, as amended up to date.

**Segment Reporting Disclosure**

**(Rs. In Lacs)**

| Particulars | BOPP Tape and laminates | Corrugated Sheet and boxes | Soap Stiffener | Eliminations | Un-allocable Items | Consolidated Total |
|---|---|---|---|---|---|---|
| | Current Year | Current Year | Current Year | Current Year | Current Year | Current Year |
| **REVENUE** | | | | | | |
| External Sales | | | | | | |
| Indigenous | 1,887.99 | 1,351.17 | 1,387.42 | -173.57 | - | **4,453.01** |
| Export | 52.94 | - | | - | - | **52.94** |
| Inter Segment Sales | 12.62 | - | | -12.62 | - | **-** |
| **Total Sales** | **1,953.55** | **1,351.17** | **1,387.42** | **-186.19** | **-** | **4,505.95** |
| Miscellaneous Income - | | | | | | |
| Operating | 5.28 | - | 43.43 | - | - | **48.71** |
| Non-Operating | - | - | 0.13 | -28.44 | 28.69 | **0.38** |
| **Segment Revenue** | **1,958.83** | **1,351.17** | **1,430.98** | **-214.63** | **28.69** | **4,555.04** |
| **Total Revenue** | **1,958.83** | **1,351.17** | **1,430.98** | **-214.63** | **28.69** | **4,555.04** |
| **RESULT** | | | | | | |
| **Segment Result** | **73.5** | **92.77** | **107.26** | **-28.44** | **28.69** | **273.78** |
| Unallocated Corporate Expenses | - | - | | - | 1.53 | 1.53 |
| Interest Expense | - | - | 30.44 | - | 34.84 | 65.28 |
| **Profit Before Taxation** | **-** | **-** | | **-** | **-** | **206.98** |
| Income Taxes | - | - | | - | | 54.95 |
| **Profit Before Prior Period Expenses** | **-** | **-** | | **-** | **-** | **152.03** |
| Prior Period Expenses | - | - | | - | - | **-** |
| **Profit For the Year** | **-** | **-** | | **-** | **-** | **152.03** |
| **OTHER INFORMATION** | | | | | | |
| Segment Assets | 717.04 | 292.92 | 930.99 | -244.64 | 210.44 | 1,906.75 |
| Unallocated Corporate Assets | - | - | | - | - | - |
| **Total Assets** | **717.04** | **292.92** | **930.99** | **-244.64** | **210.44** | **1,906.75** |
| Segment Liabilities | 308.41 | 419.53 | 532.49 | -34.2 | 186.75 | 1412.99 |
| **Total Liabilities** | **308.41** | **419.53** | **532.49** | **-34.2** | **186.75** | **1412.99** |
| Depreciation | 16.17 | 6.71 | 12.01 | - | - | 34.9 |

**Geographical Segments**
**Segment Reporting Disclosure**

**(Rs. In Lacs)**

| Particulars | Panchkula | Vadodra | Baddi | Eliminations | Un-allocable Items | Consolidated Total |
|---|---|---|---|---|---|---|
| | Current Year | Current Year | Current Year | Current Year | Current Year | Current Year |
| | | | | | | |
| **REVENUE** | | | | | | |
| External Sales | | | | | | |
| Indigenous | 1,887.99 | 1,351.17 | 1,387.42 | -173.57 | - | **4,453.01** |
| Export | 52.94 | - | | - | - | **52.94** |
| Inter Segment Sales | 12.62 | - | | -12.62 | - | **-** |
| **Total Sales** | **1,953.55** | **1,351.17** | **1,387.42** | **-186.19** | **-** | **4,505.95** |
| Miscellaneous Income - | | | | | | |
| Operating | 5.28 | - | 43.43 | - | - | **48.71** |
| Non-Operating | - | - | 0.13 | -28.44 | 28.69 | **0.38** |
| **Segment Revenue** | **1,958.83** | **1,351.17** | **1,430.98** | **-214.63** | **28.69** | **4,555.04** |
| **Total Revenue** | **1,958.83** | **1,351.17** | **1,430.98** | **-214.63** | **28.69** | **4,555.04** |
| **RESULT** | | | | | | |
| **Segment Result** | **73.5** | **92.77** | **107.26** | **-28.44** | **28.69** | **273.78** |
| Unallocated Corporate Expenses | - | - | | - | 1.53 | 1.53 |
| Interest Expense | - | - | 30.44 | - | 34.84 | 65.28 |
| **Profit Before Taxation** | **-** | **-** | | **-** | **-** | **206.98** |
| Income Taxes | - | - | | - | | 54.95 |
| **Profit Before Prior Period Expenses** | **-** | **-** | | **-** | **-** | **152.03** |
| Prior Period Expenses | - | - | | - | - | **-** |
| **Profit For the Year** | **-** | **-** | | **-** | **-** | **152.03** |
| **OTHER INFORMATION** | | | | | | |
| Segment Assets | 717.04 | 292.92 | 930.99 | -244.64 | 210.44 | 1,906.75 |
| Unallocated Corporate Assets | - | - | | - | - | - |
| **Total Assets** | **717.04** | **292.92** | **930.99** | **-244.64** | **210.44** | **1,906.75** |
| Segment Liabilities | 308.41 | 419.53 | 532.49 | -34.2 | 186.75 | 1412.99 |
| **Total Liabilities** | **308.41** | **419.53** | **532.49** | **-34.2** | **186.75** | **1412.99** |
| Depreciation | 16.17 | 6.71 | 12.01 | - | - | 34.9 |

**The company has two primarily reportable business segments as follows:-**

**(a) Business Segments**

For management purposes the company =is organized into three major reportable segments:

(1) BOPP Tape and laminates
(2) Corrugated boxes and sleeve rolls
(3) Soap Stiffeners

The divisions are the basis on which the company reports its primary segment information. The 'BOPP Tape and laminates' segment produces BOPP Tape, Laminate and liner. The 'Corrugated boxes and sleeve rolls' segment manufactures Corrugated sleeves, sheets and Boxes. The "Soap stiffeners" segment manufactures soap paper and stiffeners.

**(b) Geographical Segments**

The Company's business activity falls in two primary geographical segments:

1) Panchkula
2) Vadodara
3) Baddi

The 'Panchkula' segment produces BOPP Tape, Laminate and liner. The 'Vadodara' segment manufactures Corrugated sleeves, sheets and Boxes. The 'Baddi' segment manufactures soap paper and stiffeners.

**(c) Segment revenues and expenses**

All segment revenues and expenses are directly attributable to the segments.

**(d) Segment assets and liabilities:**

Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets, net of allowances and provisions which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include deferred taxes assets and liabilities.

**(e) Inter-segment transfers:**

Segment revenue, segment expenses and segment result include transfers between business segments and between geographical segments. Such transfers are accounted for at competitive market prices charged to unaffiliated customers for similar goods. Those transfers are eliminated in consolidation.

**(f) Accounting policies:**

The accounting policies consistently used in the preparation of the financial statements are also applied to items of revenues and expenditure in individual segments.

**(g) Unallocable and Head office expenses**

General administrative expenses, head-office expenses, and other expenses that arise at the corporate level and relate to the Group as a whole, are shown as unallocable item.

**In Consolidated Financial Statements, the following shall be disclosed by way of additional information:**

| Name of the Enterprise | Net assets i.e total assets minus total liabilities | | Share in profit and loss | |
|---|---|---|---|---|
| | As % of consolidated net assets | Amount | As % of consolidated profit and loss | Amount |
| **Parent** | | | | |
| D.K. Enterprises Global Limited | 100.00 | 798.44 | 62.70 | 151.74 |
| **Subsidiary** | | | | |
| Satguru Engravures | - | - | 37.30 | 90.28 |
| Minority Interests | | | | |

**Independent Auditors' Report on the Restated Standalone Statement of Assets & Liabilities as at March 31, 2021, as at March 31, 2020, and as at March 31, 2019 and Restated Standalone Statement of Profit & Loss for the year ended on March 31, 2021, on March 31, 2020, and on March 31, 2019, and Restated Standalone Cash Flow Statement for the year ended on March 31, 2021, on March 31, 2020, and on March 31, 2019, and Restated Standalone Significant Accounting Policies and Notes to the Restated Standalone Financial Statements and Other Annexures forming part of Restated Standalone Financial Statements**

To,
The Board of Directors
D.K. Enterprises Global Limited
Panchkula

Dear Sir,

1. We have examined the attached Restated Standalone Statement of Assets and Liabilities of D.K. Enterprises Global Limited (the "Company", "Issuer") as at 31st March, 2021, as at 31st March, 2020 and 31st March 2019 and the related Restated Standalone Statement of Profit & Loss for the year ended on March 31, 2021, on March 31, 2020, and on March 31, 2019, and Restated Standalone Cash Flow Statement for the year ended on March 31, 2021, on March 31, 2020, and on March 31, 2019 annexed to this report for the purpose of inclusion in the offer document prepared by the Company (collectively the "Restated Standalone Summary Statements" or "Restated Standalone Financial Statements"). These Restated Standalone Summary Statements have been prepared by the Company and approved by the Board of Directors in their meeting held on July 17 , 2021 of the Company in connection with the Initial Public Offering (IPO) in SME Platform of the National Stock Exchange of India Limited (NSE Emerge).

2. The Company's Board of Directors is responsible for the preparation of the Restated Standalone Financial Statements for the purpose of inclusion in the Draft Prospectus/ Prospectus to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, Delhi in connection with the proposed IPO. The Restated Standalone Financial Statements have been prepared by the management of the Company for the year ended on March 31, 2021 and March 31, 2020 on the basis of preparation stated in Annexure D to the Restated Standalone Financial Statements. The Board of Directors of the company's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The Board of Directors are also responsible for identifying and ensuring that the company complies with the Act, ICDR Regulation and Guidance Note.

3. These Restated Standalone Summary Statements have been prepared in accordance with the requirements of:

(iv) Section 26 Part I of Chapter III to the Companies Act, 2013 ("Act")read with Companies (Prospectus and Allotment of Securities) Rules 2014;

(v) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;

(vi) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time. ("Guidance Note").

4. We have examined such Restated Standalone Financial Statements taking into consideration:
   e) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated December 05, 2020 in connection with the proposed IPO of equity shares of the Company;
   f) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
   g) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Standalone Financial Information; and ,

h) 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.

5. The Restated Standalone Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the financial year ended on 31st March, 2021, 31st March, 2020, and 31st March 2019 and prepared in accordance with the Indian GAAP, which have been approved by the Board of Directors.

6. In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

(iv) The "Restated Standalone Statement of Assets and Liabilities" as set out in Annexure A to this report, of the Company as at 31st March, 2021, 31st March, 2020, and 31st March 2019 have been prepared by the Company and approved by the Board of Directors. These Restated Standalone Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure D to this Report.

(v) The "Restated Standalone Statement of Profit and Loss" as set out in Annexure B to this report, of the Company for the year ended 31st March, 2021, 31st March, 2020, and 31st March 2019 have been prepared by the Company and approved by the Board of Directors. These Restated Standalone Statement of Profit and Loss, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure D to this Report.

(vi) The "Restated Standalone Cash Flow Statement" as set out in Annexure C to this report, of the Company for the year ended 31st March, 2021, 31st March, 2020, and 31st March 2019 are prepared by the Company and approved by the Board of Directors. These Restated Standalone Cash Flow Statement, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure D to this Report.

7. Based on the above, and according to the information & explanations made available to us by the Company and also reliance placed by us on the audited financial statements of the Company, we are of the opinion that the Restated Standalone Financial Statements have been made after incorporating:

i) Adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any.

j) Adjustments for prior period and other material amounts in the respective financial years to which they relate and there are no qualifications which require adjustments.

k) There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.

l) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial year ended on 31st March, 2021, 31st March, 2020, and 31st March 2019 which would require adjustments in this Restated Standalone Financial Statements of the Company.

m) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in Annexure D to this report.

n) There were no change in Significant Accounting Policies which needs to be adjusted in the Restated Standalone Financial Statements.

o) There were no revaluation reserves which need to be disclosed separately in the Restated Standalone Financial Statements.

p) The Company has not paid any dividend since its incorporation.

8. Audit for the financial year ended on 31st March, 2021, 31st March 2020, and 31st March 2019 was conducted by us and accordingly reliance has been placed on the financial information examined us for the said years. The financial report included for these years is based solely on the report submitted by us and no routine audit has been carried out by us. Further financial statements for the financial year ended on 31st March, 2021 have been re-audited by us as per the relevant guidelines.

9. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial year ended on 31st March, 2021, 31st March, 2020, and 31st March 2019 proposed to be included in the Draft Red Herring Prospectus/Prospectus **("Offer Document")**.

**Annexures of Restated Standalone Financial Statements of the Company:**

1. Restated Standalone Significant Accounting Policies and Notes to Restated Standalone Financial Statements as appearing in Annexure D to this report;
2. Reconciliation of Restated Standalone Profit as appearing in Annexure E to this report;
3. Details of Restated Standalone Share Capital as appearing in Annexure A.1 to this report;
4. Details of Restated Standalone Reserves and Surplus as appearing in Annexure A.2 to this report;
5. Details of Restated Standalone Long Term Borrowings as appearing in Annexure A.3 to this report;
6. Details of Restated Standalone Deferred Tax Liabilities (Net) as appearing in Annexure A.4 to this report;
7. Details of Restated Standalone Short Term Provisions as appearing in Annexure A.8 to this report;
8. Details of Restated Standalone Short Term Borrowings as appearing in Annexure A.5 to this report;
9. Details of Restated Standalone Trade Payables as appearing in Annexure A.6 to this report;
10. Details of Restated Standalone Other Current Liabilities as appearing in Annexure A.7 to this report;
11. Details of Restated Standalone Property, Plant & Equipment as appearing in Annexure A.9 to this report.
12. Details of Restated Standalone Non-Current Investments as appearing in Annexure A.10 to this report;
13. Details of Restated Standalone Loans & Advances as appearing in Annexure A.11 to this report;
14. Details of Restated Standalone Other Non- Current Assets as appearing in Annexure A.12 to this report;
15. Details of Restated Standalone Inventories as Annexure A.13 to this report;
16. Details of Restated Standalone Trade Receivables as Annexure A.14 to this report;
17. Details of Restated Standalone Cash and Bank Balances as appearing in Annexure A.15 to this report;
18. Details of Restated Standalone Short-Term Loans and Advances as Annexure A.16 to this report
19. Details of Restated Standalone Other Current Assets as appearing in Annexure A.17 to this report;
20. Details of Restated Standalone Revenue from Operations as appearing in Annexure B.1 to this report;
21. Details of Restated Standalone Other Income as appearing in Annexure B.2 to this report;
22. Details of Restated Standalone Cost of Material Consumed B.3 as appearing in Annexure B.3 to this report;
23. Details of Restated Standalone Changes in Inventories of FG and WIP as appearing in Annexure B.4 to this report
24. Details of Restated Standalone Employees' Benefit Expenses as appearing in Annexure B.5 to this report;
25. Details of Restated Standalone Finance Cost as appearing in Annexure B.6 to this report;
26. Details of Restated Standalone Depreciation and Amortization as appearing in Annexure B.7 to this report;
27. Details of Restated Standalone other expenses as appearing in Annexure B.8 to this report.
28. Details of Restated Standalone Deferred Tax as appearing in Annexure B.9 to this report.
29. Details of Statement of tax shelter as appearing in Annexure F to this report.
30. Details of Statement of Capitalisation as appearing in Annexure G to this report.
31. Details of Restated Standalone Statement Of Contingent Liabilities as appearing in Annexure H to this report
32. Details of Restated Standalone accounting ratios as appearing in Annexure I to this report
33. Details of Restated Standalone Related Party Transactions as appearing in Annexure J to this report
34. Details of Restated Standalone Segment Reporting as appearing in Annexure K to this report
35. Details of Amalgamation of Proprietorship as appearing in Annexure L to this report

10. We, Deepak Jindal & Co., have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI.

11. The preparation and presentation of the Financial Statements referred to above are based on the Audited Financial Statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

12. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

13. We have no responsibility to update our report for events and circumstances occurring after the date of the report of Restated Standalone financial statements and Audited financial statements.

14. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

15. In our opinion, the above financial information contained in Annexure A to K of this report read with the respective Significant Accounting Polices and Notes to Restated Standalone Financial Statements as set out in Annexure D 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.

16. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**For Deepak Jindal & Co.**
Chartered Accountants
FRN No.- 023023N

Deepak Jindal
**Partne**r
Membership No. 514745
Chandigarh
**Date: August 07, 2021**
**UDIN**: 21514745AAAADP5859

## D.K. ENTERPRSIES GLOBAL LIMITED

### ANNEXURE – A : RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

**(Rs. in Lakhs)**

| Sr. No. | Particulars | Note No. | As at 31st March | | |
|---|---|---|---|---|---|
| | | | 2021 | 2020 | 2019 |
| **A.** | **Equity and Liabilities** | | | | |
| **1** | **Shareholders' Funds** | | | | |
| | Share Capital | **A.1** | 275.5 | 205.00 | 5.00 |
| | Reserves & Surplus | **A.2** | 534.70 | 124.03 | - |
| | **Subtotal** | | **810.20** | **329.03** | **5.00** |
| **2** | **Non-Current Liabilities** | | | | |
| | Long-Term Borrowings | **A.3** | 42.93 | 186.75 | - |
| | Deferred Tax Liabilities (Net) | **A.4** | 14.37 | 10.19 | - |
| | **Subtotal** | | **57.30** | **196.94** | **-** |
| **3** | **Current Liabilities** | | | | |
| | Short Term Borrowings | **A.5** | 127.79 | - | - |
| | Trade Payables : | **A.6** | | | |
| | (A) total outstanding dues of micro enterprises and small enterprises; and | | | | - |
| | (B) total outstanding dues of creditors other than micro enterprises and small enterprises.".] | | 728.87 | 613.39 | - |
| | Other Current Liabilities | **A.7** | 122.46 | 114.55 | 0.38 |
| | Short Term Provisions | **A.8** | 9.28 | - | - |
| | **Subtotal** | | **988.39** | **727.94** | **0.38** |
| | **Total** | | **1,855.89** | **1,253.91** | **5.38** |
| **B.** | **Assets** | | | | |
| **1** | **Non-Current Assets** | | | | |
| | Property, Plant and Equipment | | | | |
| | Tangible Assets | **A.9** | 361.83 | 358.11 | 0.00 |
| | Intangible Assets | | 1.28 | 1.34 | - |
| | Non-Current Investments | **A.10** | 312.87 | 210.44 | 0.00 |
| | Long Term Loans & Advances | **A.11** | 19.32 | 19.25 | - |
| | Long term Trade Receivables | **A.12** | 9.89 | - | - |
| | **Subtotal** | | **705.18** | **589.14** | **-** |
| **2** | **Current Assets** | | | | |
| | Inventories | **A.13** | 460.41 | 165.88 | - |
| | Trade Receivables | **A.14** | 487.85 | 414.49 | 0.00 |
| | Cash and Cash Equivalents | **A.15** | 91.00 | 27.54 | 5.00 |
| | Short-Term Loans and Advances | **A.16** | 97.08 | 51.53 | - |
| | Other Current Assets | **A.17** | 14.37 | 5.33 | 0.38 |
| | **Subtotal** | | **1,150.71** | **664.77** | **5.38** |
| | **Total** | | **1,855.89** | **1,253.91** | **5.38** |

**Note :** The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,B & C

**For Deepak Jindal & Co.**
**Chartered Accountants**
**Firm Registration No : 023023N**
**Peer Review No. : 012493**

**CA Deepak Jindal**
**Partner**
**M. No. 514745**
**UDIN : 21514745AAAADP5859**

**Date : August 7, 2021**
**Place : Chandigarh**

**On behalf of Board of Directors**
**D.K. Enterprises Global Limited**

| | |
|---|---|
| **Rakesh Kumar** | **Dhruv Rakesh** |
| **(Chairman cum Managing Director)** | **(Executive Director)** |
| **DIN: 08374550** | **DIN: 08374549** |
| **Baljeet Singh** | **Amanpreet Kaur** |
| **(CFO)** | **(Company Secretary)** |

## ANNEXURE – B : RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

**(Rs. in Lakhs)**

| Sr. No | Particulars | Note No. | For The Year Ended 31st March | | |
|---|---|---|---|---|---|
| | | | 2021 | 2020 | 2019 |
| **A.** | **Revenue:** | | | | |
| | Revenue from Operations | **B.1** | 4499.85 | 3297.39 | 0.00 |
| | Other income | **B.2** | 48.46 | 28.69 | 0.00 |
| | **Total revenue** | | **4548.32** | **3326.08** | **0.00** |
| **B.** | **Expenses:** | | | | |
| | Cost of Material Consumed | **B.3** | 3611.59 | 2610.87 | - |
| | Changes in Inventories of Finished Goods, Work In Progress and Stock in Trade | **B.4** | (21.49) | (29.33) | - |
| | Employees Benefit Expenses | **B.5** | 203.76 | 170.70 | - |
| | Finance costs | **B.6** | 26.66 | 32.19 | - |
| | Depreciation and Amortization | **B.7** | 29.63 | 22.88 | - |
| | Other expenses | **B.8** | 447.73 | 360.16 | - |
| | **Total Expenses** | | **4297.88** | **3167.47** | **-** |
| | **Profit before exceptional and extraordinary items and tax** | | **250.44** | **158.60** | **0.00** |
| | Exceptional Items | | **-** | **-** | **-** |
| | **Profit before extraordinary items and tax** | | **250.44** | **158.60** | **0.00** |
| | Extraordinary items | | - | - | **0.00** |
| | **Profit before tax** | | **250.44** | **158.60** | **0.00** |
| | **Tax expense :** | | | | |
| | Current tax | | 47.08 | 24.39 | - |
| | Deferred Tax | **B.9** | 4.18 | 10.19 | - |
| | Profit (Loss) for the period from continuing operations | | **199.18** | **124.03** | **-** |
| | **Earning per equity share in Rs.:** | | | | |
| | (1) Basic | | 4.83 | 3.50 | - |
| | (2) Diluted | | 4.83 | 3.50 | - |

**Note :** The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities and cash flows appearing in Annexure D,A&C.

**For Deepak Jindal & Co.**
**Chartered Accountants**
**Firm Registration No : 023023N**
**Peer Review No. : 012493**

**CA Deepak Jindal**
**Partner**
**M. No. 514745**
**UDIN:**
**21514745AAAADP5859**

**Date : August 7, 2021**

**On behalf of Board of Directors**
**D.K. Enterprises Global Limited**

**Rakesh Kumar**
**(Chairman cum Managing Director)**
**DIN: 08374550**

**Dhruv Rakesh**
**(Executive Director)**
**DIN: 08374549**

**Baljeet Singh**
**(CFO)**

**Amanpreet Kaur**
**(Company Secretary)**

**Place : Chandigarh**

## ANNEXURE – C: RESTATED STANDALONE STATEMENT OF CASH FLOWS

**(Rs. in Lakhs)**

| Particulars | For The Year Ended 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| **A. CASH FLOW FROM OPERATING ACTIVITIES** | | | |
| Profit/ (Loss) before tax | **250.44** | **158.60** | **-** |
| Adjustments for: | | | |
| Depreciation | 29.63 | 22.88 | - |
| Interest Income | (0.91) | (0.25) | |
| Interest Expense | 26.66 | 32.19 | - |
| **Operating profit before working capital changes** | **305.81** | **213.42** | **-** |
| Movements in working capital : | | | |
| (Increase)/Decrease in Trade Receivables | (73.37) | (414.49) | - |
| (Increase)/Decrease in Loans & Advances | (45.54) | (51.34) | - |
| (Increase)/Decrease in Other Current Assets/ Non-Current Assets | (9.04) | (4.95) | (0.38) |
| (Increase)/Decrease in Inventories | (294.53) | (165.88) | |
| Increase/(Decrease) in Trade Payables | 115.48 | 613.39 | - |
| Increase/(Decrease) in Other Current Liabilities | 7.91 | 114.17 | 0.38 |
| Increase/(Decrease) in Long Term & Short Term Provisions | - | - | - |
| **Cash generated from operations** | **6.72** | **304.32** | **-** |
| Income tax paid during the year | 37.80 | 24.58 | - |
| **Net cash from operating activities (A)** | (31.08) | 279.74 | - |
| **B. CASH FLOW FROM INVESTING ACTIVITIES** | | | |
| Sale/(Purchase) of Investments | (102.43) | (210.44) | - |
| Purchase of Fixed Assets | (33.28) | (382.34) | - |
| Interest Received | 0.91 | 0.25 | |
| Increase in Other Non-Current Assets/Loans & Advances | (9.96) | (19.25) | - |
| **Net cash from investing activities (B)** | **(144.76)** | **(611.78)** | **-** |
| **C. CASH FLOW FROM FINANCING ACTIVITIES** | | | |
| Interest paid on borrowings | (26.66) | (32.19) | - |
| Increase/(Decrease) in Short Term Borrowings | 127.79 | - | - |
| Proceeds from Issue of Share Capital | 282.00 | 200.00 | 5.00 |
| Proceeds/(Repayment) of Borrowings | (143.82) | 186.75 | - |
| **Net cash from financing activities (C)** | **239.31** | **354.56** | **5.00** |
| **Net increase in cash and cash equivalents (A+B+C)** | **63.47** | **22.53** | **5.00** |
| **Cash and cash equivalents at the beginning of the year** | **27.54** | **5.00** | **-** |
| **Cash and cash equivalents at the end of the year** | **91.00** | **27.54** | **5.00** |

**Note : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities and profits and losses appearing in Annexure D,A&B.**

**For Deepak Jindal & Co.**

**Chartered Accountants**
**Firm Registration No : 023023N**
**Peer Review No. : 012493**

**CA Deepak Jindal**
**Partner**
**M. No. 514745**
**UDIN : 21514745AAAADP5859**

**Date : August 07, 2021**
**Place : Chandigarh**

**On behalf of Board of Directors**
**D.K. Enterprises Global Limited**

| | |
|---|---|
| **Rakesh Kumar (Chairman cum Managing Director)** | **Dhruv Rakesh (Executive Director)** |
| **DIN: 08374550** | **DIN: 08374549** |
| **Baljeet Singh** | **Amanpreet Kaur** |
| **(CFO)** | **(Company Secretary)** |

**ANNEXURE - A.1 : Restated Standalone Statement of Share Capital**

| Particulars | As at 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| **Equity Share Capital** | | | |
| **Authorised Share Capital** | | | |
| 75,00,000 (Previous Year: 30,50,000 and 50,000) Equity Shares of Rs 10 each | 750.00 | 305.00 | 5.00 |
| **Total** | **750.00** | **305.00** | **5.00** |
| **Issued, Subscribed & Fully Paid Up Share Capital** | | | |
| 27,55,000 (Previous Year: 20,50,000 and 50,000) Equity Shares of Rs 10 each | 275.50 | 205.00 | 5.00 |
| **Total** | **275.50** | **205.00** | **5.00** |

**A.1.1 Right, Preferences and Restrictions attached to Shares :**

The Company has one class of equity shares having a par value of Rs. 10/- per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.

**A.1.2 Reconciliation of No. of Shares Outstanding at the end of the year**

| Particulars | As at 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| **Equity Shares** | | | |
| Shares outstanding at the beginning of the year | 2,050,000 | 50,000 | - |
| Shares issued during the year (For Related Party Transactions Refer Annexure J)* | 705000 | 2,000,000 | 50,000 |
| Share outstanding at the end of the year | **2,755,000** | **2,050,000** | **50,000** |

*In FY 2019-20 Equity Shares were issued for consideration other than Cash for takeover of running business of Mrs. Rekha Bansal, M/s DK enterprises on going concern basis

**Notes :**

**A.1.2.1 Bonus Issue**

Our company has issued Bonus Shares in the ratio of 1:1 on April 26, 2021 i.e. after the balance sheet data but before the date on which financial statement were approved by Board of Directors.

**A.1.3 Details of Shareholding more than 5% of the aggregate shares in the company**

| Name of Shareholder | 31-Mar-21 | | 31-Mar-20 | | 31-Mar-19 | |
|---|---|---|---|---|---|---|
| | Nos | % of Holding | Nos | % of Holding | Nos | % of Holding |
| Dhruv Rakesh | 214,425 | 7.79% | 12,425 | 0.61% | 12,425 | 24.85% |
| Rakesh Kumar | 362,425 | 13.16% | 12,425 | 0.61% | 12,425 | 24.85% |
| Rekha Bansal | 2,162,425 | 78.49% | 2,012,425 | 98.17% | 12,425 | 24.85% |
| Kanika Rakesh | 12,425 | 0.45% | 12425 | 0.61% | 12,425 | 24.85% |
| **Total** | **2,751,700** | **99.89%** | **2,049,700** | **99.99%** | **49,700** | **99.40%** |

**Note** : The above statements should be read with the significant accounting policies and notes to restated summary, statement of assets and liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.2 : Restated Standalone Statement of Reserves and Surplus**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| **Reserves & Surplus** | | | |
| **Balance in Statement of Profit & Loss** | | | |

| | | | |
|---|---|---|---|
| Balance as at the beginning of the year | 124.03 | - | - |
| Add: Profit for the year | 199.18 | 124.03 | - |
| Less : Bonus Shares Issued during the year | | - | - |
| Balance as at the end of the year | **323.20** | **124.03** | **-** |
| **Security Premium** | | | |
| Balance as at the beginning of the year | **-** | | |
| Add: Profit for the year | 211.50 | **-** | **-** |
| Balance as at the end of the year | **211.50** | **-** | **-** |
| **Total** | **534.70** | **124.03** | **-** |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.3 :Restated Standalone Statement of Long Term Borrowings**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| ***Secured:*** | | | |
| Term Loan From Bank: | 36.44 | 38.79 | |
| Vehicle Loan | 6.49 | 11.58 | - |
| ***Unsecured:*** | | | |
| Loan From Director (For Related Party Transactions Refer Annexure J) | **-** | 136.38 | |
| **Total** | **42.93** | **186.75** | **-** |

**Note A.3.1:** There were no re-schedulement or default in the repayment of loans taken by the Company.

Note A.3.2 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.4: Restated Standalone Statement of Deferred Tax Liabilities (Net)**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| **Deferred Tax Liability** | | | |
| Related to Fixed Assets | 62.86 | 39.18 | - |
| Loss Carried forward | | | - |
| ***Total (a)*** | | | - |
| **Deferred Tax Assets** | | | **-** |
| Provision For Disallowance of Expenses | 5.78 | - | - |
| ***Total (b)*** | | **-** | **-** |
| ***Net Deffered Tax Liabilities (A-B)*** | ***57.08*** | ***39.18*** | **-** |
| ***Deferred Tax Liabilities( Tax Impact)*** | ***14.37*** | **10.19** | **-** |

Note A.4.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.5 : Restated Standalone Statement of Short Term Borrowings**

(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| **Working Capital Borrowings** | | | |
| From Banks | 127.79 | - | - |
| **Total** | **127.79** | **-** | **-** |

Note A.5.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.6 : Restated Standalone Statement of Trade Payables**

(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| Trade Payables due to | | | |
| - Micro and Small Enterprises | | | - |
| **- Others** | 728.87 | 613.39 | |
| - Promotor/Promotor Group | | | - |
| - Others | | - | - |
| **Total** | **728.87** | **613.39** | **-** |

Note A.6.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.7 : Restated Standalone Statement of Other Current Liabilities**

(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| Current Maturity of Long Term Debt | 41.81 | 20.19 | - |
| Current Maturity of Vehicle Loan | 5.17 | 4.40 | |
| Statutory Remittances | 13.37 | 5.90 | - |
| Provision for Employee Benefits | 8.18 | 11.96 | - |
| Advance From Customer | 3.08 | 5.30 | - |
| Other Liabilities | 50.85 | 66.80 | 0.38 |
| **Grand Total** | **122.46** | **114.55** | **0.38** |

Note A.7.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.8 : Restated Standalone Statement of Short Term Provisions**

(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| Provision for Income Tax | 9.28 | - | - |
| **Total** | **9.28** | **-** | **-** |

Note A.8.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**Notes to Financial statements as at March 31, 2021**
**A.9. Fixed Assets**

**Rs. In Lakhs**

| Particulars | Gross Block | | | | | Depreciation | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **(A) TANGIBLE ASSETS** | **As at 1 April 2020** | **Additions during the Year** | **Sales** | **Total** | **As at 31st March 2021** | **As at 1 April 2020** | **During the Year** | **Adjustment** | **Total 31st March 2021** | **As At 31st March 2021** | **As At 31st March 2020** |
| Computer | 1.66 | 1.70 | - | 3.36 | 3.36 | 0.48 | 0.77 | - | 1.25 | 2.12 | 1.18 |
| Plant & Machinery | 231.85 | 27.20 | - | 259.06 | 259.06 | 12.54 | 15.75 | - | 28.30 | 230.76 | 219.31 |
| Genset | 6.16 | - | - | 6.16 | 6.16 | 0.36 | 0.39 | - | 0.75 | 5.42 | 5.81 |
| Furniture & Fixtures | 5.08 | - | - | 5.08 | 5.08 | 0.40 | 0.48 | - | 0.89 | 4.20 | 4.68 |
| Electric Installation | 12.70 | 1.81 | - | 14.50 | 14.50 | 0.40 | 1.30 | | 1.70 | 12.80 | 12.30 |
| Misc. Fixed Assets | 0.64 | - | - | 0.64 | 0.64 | 0.06 | 0.06 | - | 0.12 | 0.52 | 0.58 |
| Vehicles | 73.57 | - | - | 73.57 | 73.57 | 6.01 | 6.99 | - | 13.00 | 60.57 | 67.56 |
| Building | 24.33 | - | - | 24.33 | 24.33 | 0.26 | 0.77 | - | 1.03 | 23.30 | 24.07 |
| Transformer | 4.80 | - | - | 4.80 | 4.80 | 0.08 | 0.30 | - | 0.38 | 4.42 | 4.72 |
| Solar System | 12.07 | - | - | 12.07 | 12.07 | 0.70 | 0.76 | - | 1.47 | 10.61 | 11.37 |
| Office Equipments | 7.85 | 2.22 | - | 10.06 | 10.06 | 1.32 | 1.63 | - | 2.94 | 7.12 | 6.53 |
| **TOTAL (A)** | **380.72** | **32.92** | **-** | **413.64** | **413.64** | **22.60** | **29.21** | **-** | **51.81** | **361.83** | **358.11** |
| **Previous Year Figures** | **-** | **380.95** | **0.23** | **380.72** | **380.72** | **-** | **22.60** | **-** | **22.60** | **358.11** | **-** |
| **(B) INTANGIBLE ASSETS** | | | | | | | | | | | |
| Goodwill | 1.62 | - | - | 1.62 | 1.62 | 0.28 | 0.31 | - | 0.59 | 1.03 | 1.34 |
| Software | - | 0.36 | - | 0.36 | 0.36 | - | 0.11 | - | 0.11 | 0.25 | - |
| **TOTAL (B)** | **1.62** | **0.36** | **-** | **1.98** | **1.98** | **0.28** | **0.42** | **-** | **0.70** | **1.28** | **1.34** |
| **Previous Year Figures** | **-** | **1.62** | **-** | **1.62** | **1.62** | **-** | **0.28** | **-** | **0.28** | **1.34** | **-** |

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**Notes to Financial statements as at March 31, 2021**
**A.9. Fixed Assets**

**(Rs. In Lakhs)**

| Particulars | Gross Block | | | | | Depreciation | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at 1 April 2019 | Additions during the Year | Sales | Total | As at 31st March 2020 | As at 1 April 2019 | During the Year | Total 31st March 2020 | As At 31st March 2020 | As At 31st March 2019 |
| **(A) TANGIBLE ASSETS** | | | | | | | | | | |
| Computer | - | 1.66 | - | 1.66 | 1.66 | - | 0.48 | 0.48 | 1.18 | - |
| Plant & Machinery | - | 232.08 | 0.23 | 231.85 | 231.85 | - | 12.54 | 12.54 | 219.31 | - |
| Genset | - | 6.16 | - | 6.16 | 6.16 | - | 0.36 | 0.36 | 5.81 | - |
| Furniture & Fixtures | - | 5.08 | - | 5.08 | 5.08 | - | 0.40 | 0.40 | 4.68 | - |
| Electric Installation | - | 12.70 | - | 12.70 | 12.70 | - | 0.40 | 0.40 | 12.30 | - |
| Misc. Fixed Assets | - | 0.64 | - | 0.64 | 0.64 | - | 0.06 | 0.06 | 0.58 | - |
| Vehicles | - | 73.57 | - | 73.57 | 73.57 | - | 6.01 | 6.01 | 67.56 | - |
| Building | - | 24.33 | - | 24.33 | 24.33 | - | 0.26 | 0.26 | 24.07 | - |
| Transformer | - | 4.80 | - | 4.80 | 4.80 | - | 0.08 | 0.08 | 4.72 | - |
| Solar System | - | 12.07 | - | 12.07 | 12.07 | - | 0.70 | 0.70 | 11.37 | - |
| Office Equipments | - | 7.85 | - | 7.85 | 7.85 | - | 1.32 | 1.32 | 6.53 | - |
| **TOTAL (A)** | **-** | **380.95** | **0.23** | **380.72** | **380.72** | **-** | **22.60** | **22.60** | **358.11** | **-** |
| **Previous Year Figures** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **(B) INTANGIBLE ASSETS** | | | | | | | | | | |
| Goodwill | - | 1.62 | - | 1.62 | 1.62 | - | 0.28 | 0.28 | 1.34 | - |
| **TOTAL (B)** | **-** | **1.62** | **-** | **1.62** | **1.62** | **-** | **0.28** | **0.28** | **1.34** | **-** |
| **Previous Year Figures** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |

**ANNEXURE – A.10 : Restated Standalone Statement of Non-Current Investments**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| **Trade Investments** | | | |
| Investment in Partnership Firm- (For Related Party Transactions Refer Annexure J) | 312.87 | 210.44 | |
| **Total** | **312.87** | **210.44** | **-** |

Note A.10.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**Detail of the names of all the partners, total capital and shares of each partner of the partnership firm.**

**For F.Y. 2020-21**

| Name of Partner | Ratio (Till Feb 21) | New Ratio (w.e.f. Mar21) |
|---|---|---|
| Sh. Dhruv Rakesh | 39% | 16% |
| Sh. Rakesh Kumar | 5% | 2% |
| Smt. Rekha bansal | 5% | 2% |
| M/s D.K. Enterprises Golbal Limited | 51% | 80% |
| **Total** | **100%** | **100%** |

**For F.Y. 2019-20**

| Name of Partner | Ratio | Amt (In Lacs) |
|---|---|---|
| Sh. Dhruv Rakesh | 39% | 78.75 |
| Sh. Rakesh Kumar | 5% | 60.71 |
| Smt. Rekha bansal | 5% | 14.39 |
| M/s D.K. Enterprises Golbal Limited | 51% | 210.44 |
| **Total** | 100% | 364.30 |

**ANNEXURE – A.11 : Restated Standalone Statement of Long Term Loans & Advances**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| Security Deposits | 19.32 | 19.25 | - |
| **Total** | **19.32** | **19.25** | **-** |

Note A.11.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.12: Restated Standalone Statement of Long term Trade Receivables**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies. (For Related Party Transactions Refer Annexure J) | | | |
| Others | 9.89 | - | |
| **Total** | **9.89** | **-** | **-** |

Note A.12.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.13 : Restated Standalone Statement of Inventories**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| Raw Material | 409.59 | 136.55 | |
| Work In Progress | 17.02 | 13.93 | |
| Finished Goods | 33.80 | 15.40 | - |
| **Total** | **460.41** | **165.88** | **-** |

Note A.13.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.14 : Restated Standalone Statement of Trade Receivables**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| **Outstanding for a period exceeding six months (Unsecured and considered Good)** | | | |
| From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies. (For Related Party Transactions Refer Annexure J) | | | - |
| Others | 3.42 | 8.16 | - |
| **Outstanding for a period not exceeding 6 months (Unsecured and considered Good)** | | | |
| From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.(For Related Party Transactions Refer Annexure J) | 0.08 | 34.20 | - |
| Others | 484.35 | 372.13 | - |
| **Total** | **487.85** | **414.49** | **-** |

Note A.14.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.15 : Restated Standalone Statement of Cash and Bank Balances**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| Cash & Cash Equivalents | | | |
| Cash in hand | 3.93 | 9.85 | - |
| Balances with Banks: | | | |
| Current Accounts | 87.07 | 17.69 | 5.00 |
| **Total** | **91.00** | **27.54** | **5.00** |

Note A.15.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C..

**ANNEXURE – A.16 : Restated Standalone Statement of Short Term Loans and Advances**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| Advances recoverable in cash or kind for the value to be considered good | 55.25 | 30.73 | - |
| Other Loans & Advances | 41.83 | 20.80 | - |
| **Total** | **97.08** | **51.53** | **-** |

Note A.16.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.17 : Restated Standalone Statement of Other Current Assets**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| Preliminary Expenses | 12.45 | 2.92 | 0.26 |
| Prepaid Expenses | 1.92 | 2.41 | 0.12 |
| **Total** | **14.37** | **5.33** | **0.38** |

Note A.17.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.1: Restated Standalone Statement of Revenue from Operations**

**(Rs. In Lakhs)**

| Particulars | For The Year Ended March 31, | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| Turnover from Sale of Goods (For related party transactions refer Annexure J) | 4,486.92 | 3292.10 | 0.00 |
| Other Operating Income | 12.93 | 5.28 | |
| **Revenue from operations** | **4,499.85** | **3,297.39** | **0.00** |

Note B.1.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.2 : Restated Standalone Statement of Other Income**

**(Rs. In Lakhs)**

| Particulars | For The Year Ended March 31, | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| Interest Income | 0.91 | 0.25 | - |
| Discount Received | 0.12 | | |
| Share of Income From Firm (For Related Party Transactions Refer Annexure J) | 47.43 | 28.44 | - |
| Foreign Exchange Fluctuation Gain | - | - | - |
| Profit on sale of shares | | - | - |
| Misc. Income | | - | - |
| **Total** | **48.46** | **28.69** | **-** |

Note B.2.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.3 : Restated Standalone Statement of Cost of Material Consumed**

**(Rs. In Lakhs)**

| Particulars | For The Year Ended March 31, | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| Opening Stock | 136.55 | - | - |
| Add : Purchases During The Year (For Related Party Transactions Refer Annexure J) | 3,884.64 | 2,747.42 | |
| | 4,021.18 | 2,747.42 | - |
| Less : Closing Stock | 409.59 | 136.55 | - |
| **Total** | **3,611.59** | **2,610.87** | **-** |

Note B.3.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.4 : Restated Standalone Statement of Changes in Inventories of FG & WIP**

**(Rs. In Lakhs)**

| Particulars | For The Year Ended March 31, | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| Stock at Close-Finished | 33.80 | 15.40 | |
| Stock at Close-WIP | 17.02 | 13.93 | |
| | **50.82** | **29.33** | |
| | | | |
| Stock at Commencement-Finished | 15.40 | - | |
| Stock at Commencement-WIP | 13.93 | - | |
| | **29.33** | - | |
| | | | |
| (Increase)/Decrease in Stock | (21.49) | (29.33) | |
| | | | |
| **Total** | **(21.49)** | **(29.33)** | **-** |

Note B.4.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.5 : Restated Standalone Statement of Employee Benefit Expense**

**(Rs. In Lakhs)**

| Particulars | For The Year Ended March 31, | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| Salaries, wages and Other Benefits (For Related Party Transactions refer Annexure J) | 132.26 | 111.28 | - |
| Director Remuneration (For Related Party Transactions refer Annexure J) | 36.00 | 31.50 | - |
| Bonus Expenses | 4.22 | 5.92 | - |
| Grautity Expenses | 10.78 | 4.46 | - |
| Staff Welfare Exp | 11.68 | 11.15 | - |
| Provident Fund Expenses | 8.82 | 6.39 | |
| **Total** | **203.76** | **170.70** | **-** |
| Note B.5.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C. | | | |

**ANNEXURE – B.6 : Restated Standalone Statement of Finance costs**

**(Rs. In Lakhs)**

| Particulars | For The Year Ended March 31, | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| Interest Expense - Banks | 15.59 | 19.00 | - |
| Interest Expense - Other (For Related Party Transactions refer Annexure J) | 11.06 | 13.19 | |
| **Total** | **26.66** | **32.19** | **-** |

Note B.6.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.7 : Restated Standalone Statement of Depreciation & Amortization**

**(Rs. In Lakhs)**

| Particulars | For The Year Ended March 31, | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| Depreciation | 29.21 | 22.60 | - |
| Amortization | 0.42 | 0.28 | |
| **Total** | **29.63** | **22.88** | **-** |

Note B.7.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.8 : Restated Standalone Statement of Other Expenses**

**(Rs. In Lakhs)**

| Particulars | For The Year Ended March 31, | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| Bank Charges | 6.06 | 2.65 | |
| Power & Fuel | 160.99 | 123.00 | |
| Office Rent (For Related Party Transactions refer Annexure J) | 36.04 | 16.17 | |
| Repairs and Maintenance | 35.49 | 52.54 | |
| Travelling Exp. | 0.76 | 10.83 | |
| Other Manufacturing Expenses | 40.43 | 29.55 | |
| Selling Expenses | 139.77 | 103.12 | |
| Administrative Expenses | 28.19 | 22.30 | |
| **Total** | **447.73** | **360.16** | |

Note B.8.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.9 : Restated Standalone Statement of Deferred Tax Asset / Liabilities**

**(Rs. In Lakhs)**

| Particulars | For The Year Ended March 31, | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| WDV as per Companies Act, 2013 (A) | 361.83 | 359.45 | 0.00 |
| WDV as per Income tax Act, 1961 (B) | 298.97 | 320.27 | 0.00 |
| Difference in WDV (A-B) | (62.86) | (39.18) | 0.00 |
| Gratuity- DTA | 5.78 | 0.00 | 0.00 |
| Restated Closing Balance of Deferred Tax Asset / (Liability) | (14.37) | (10.19) | 0.00 |
| DTA/(DTL) Balance as per Books | 0.00 | 0.00 | 0.00 |
| Additional Provision to be made/Reversal of Provision/ Creation of Deferred Tax Asset | 4.18 | 10.19 | 0.00 |

Note B.9.1 : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Assets & liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – E : STATEMENT OF MATERIAL ADJUSTMENT TO THE RESTATED STANDALONE FINANCIAL STATEMENT**

**1 Material Regrouping**

Appropriate adjustments have been made in the Restated Standalone Financial Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the regroupings as per the audited financial statements of the company and the requirements of SEBI Regulations.

**2. Material Adjustments :**

The Summary of results of restatement made in the Audited Standalone Financial Statements for the respective years and its impact on the profit/(loss) of the Company is as follows:

| Particulars | For The Year Ended March 31, | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| **(A) Net Profits as per audited financial statements (A)** | 199.18 | 124.71 | - |
| **Add/(Less) : Adjustments on account of -** | | | |
| 1) Prepaid exp of P.Y. Trf to Exps | - | - | - |
| 2)Prepaid Expenses of current Year | - | - | - |
| 3)Provision for Interest accrued but not Due | - | - | - |
| 4) Previous Year Expenses transferred to Current year | - | - | - |
| 4)Reversal of Interest Accrued but not due for previous year | - | - | - |
| 5) Difference on Account of Calculation in Deferred Tax | - | - | - |
| 6) Change in Provision for Current Tax | - | (0.69) | - |
| 7) Difference on account of Foreign Exchange Gain | - | - | - |
| 8) Difference on Account of Provision for Gratuity | - | - | - |
| 9) Difference of Miscellaneous Expense | - | - | |
| **Total Adjustments (B)** | **-** | **(0.69)** | **-** |
| **Restated Profit/ (Loss) (A+B)** | **199.18** | **124.02** | **-** |
| | 0.00 | (0.00) | - |

**3. Notes on Material Adjustments pertaining to prior years**

**(1) Prepaid Expenses charged to Profit & Loss Account**
Expenses related to Next year were transferred in Prepaid of Current Year

**(2) Provision for Interest Accrued but not due**
Provision for Interest accrued on loan EMI but not due has been made in restated financials

**(3) Difference on Account of Calculation in Deferred Tax**
Deferred tax is calculated on the difference of WDV as per Companies Act & income tax Act in Restated financials but in Audited financials the same has been calculated between difference of Depreciation

**(4) Change in Provision for Current Tax**
Since the Restated profit has been changed so that the Provision for current tax is also got changed

**(5) Difference on Account of Foreign Exchange Gain/loss**
Foreign Exchange gain/loss is calculated on the closing balance of foreign debtors in restated financials

**(6) Difference on account for Provision for Gratuity**
Provision for Gratuity has been made in restated financials to comply with requirements of AS - 15

**ANNEXURE - F : RESTATED STANDALONE STATEMENT OF TAX SHELTERS**

**(Rs. In Lakhs)**

| Sr. No | Particulars | As at 31st March | | |
|---|---|---|---|---|
| | | 2021 | 2020 | 2019 |
| A | **Restated Profit before tax** | 250.44 | 158.60 | - |
| | Short Term Capital Gain at special rate | - | - | - |
| | Normal Corporate Tax Rates (%) | 22.00% | 25.00% | 25.00% |
| | Short Term Capital Gain at special rate | 16.69% | 16.69% | 15.60% |
| | MAT Tax Rates (%) | 16.69% | 16.69% | 20.59% |
| B | **Tax thereon (including surcharge and education cess)** | **25.17%** | **26.00%** | **26.00%** |
| | Tax on normal profits | 55.10 | 39.65 | - |
| | Short Term Capital Gain at special rate | 0.00 | 0.00 | 0.00 |
| | **Total** | **55.10** | **39.65** | **-** |
| | **Adjustments:** | | | |
| C | **Permanent Differences** | | | |
| | Deduction allowed under Income Tax Act | | | |
| | Exempt Income | 47.43 | 28.44 | |
| | Allowance of Expenses under the Income Tax Act Section 35 | | | |
| | Disallowance of Expenses under the Income Tax Act | 2.02 | 0.19 | |
| | **Total Permanent Differences** | **(45.41)** | **(28.26)** | **-** |
| D | **Timing Differences** | | | |
| | Difference between Depreciation as per Income tax, 1961 and Companies Act 2013 | (23.74) | (39.18) | |
| | Provision for Gratuity disallowed | 5.78 | 0 | 0 |
| | Expense disallowed u/s 43B | 0 | 0 | 0 |
| | **Total Timing Differences** | **(17.96)** | **(39.18)** | **-** |
| E | **Net Adjustments E= (C+D)** | **(63.37)** | **(67.44)** | **-** |
| F | **Tax expense/(saving) thereon** | (13.94) | (17.53) | - |
| G | **Total Income/(loss) (A+E)** | **187.06** | **91.17** | **-** |
| | Taxable Income/ (Loss) as per MAT | 203.00 | 130.16 | - |
| I | **Income Tax as per normal provision** | 47.08 | 23.70 | - |
| J | **Income Tax under Minimum Alternative Tax under Section 115 JB of the Income Tax Act** | 33.89 | 21.73 | - |
| | **Net Tax Expenses (Higher of I,J)** | 47.08 | 23.70 | - |
| K | Relief u/s 90/91 | - | | - |
| | **Total Current Tax Expenses** | **47.08** | **23.70** | **-** |

| | | | | |
|---|---|---|---|---|
| **L** | Adjustment for Interest on income tax/ others | - | 0.69 | |
| | **Total Current Tax Expenses** | **47.08** | **24.39** | **-** |

**Note** : The above statements should be read with the significant accounting policies and notes to restated summary, statement of assets and liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - G : RESTATED STANDALONE STATEMENT OF CAPITALISATION**

**(Rs. In Lakhs)**

| Sr. No | Particulars | Pre issue | Post issue |
|---|---|---|---|
| | **Debts*** | | |
| A | Long Term Debt | 89.91 | 89.91 |
| B | Short Term Debt | 127.79 | 127.79 |
| C | **Total Debt** | **217.70** | **217.70** |
| | **Equity Shareholders Funds** | | |
| | Equity Share Capital | 275.50 | 750.80 |
| | Reserves and Surplus# | 522.94 | 767.64 |
| D | **Total Equity** | **798.44** | **1,518.44** |
| E | **Total Capital** | **1,016.14** | **1,736.14** |
| | Long Term Debt/ Equity Ratio (A/D) | 0.11 | 0.06 |
| | Total Debt/ Equity Ratio (C/D) | 0.27 | 0.14 |

Notes:

) Long Term Debt are borrowings other than short-term borrowings and also includes current maturities of long- term debt ncluded in other current liabilities.

The amounts are consider as outstanding as on 31.03.2021

After Adjusting preliminary expenses to the extent not written off

**ANNEXURE - H : RESTATED STANDALONE STATEMENT OF CONTINGENT LIABILITIES**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| 1. Bank Guarantee/ LC Discounting for which FDR margin money has been given to the bank as Security | - | - | - |
| 2. Capital Commitment | - | - | - |
| 3. Income Tax Demand | - | - | - |
| 4. TDS Demands | 0.03 | - | - |
| 5. ESIC Demand | - | - | - |
| **Total** | **0.03** | **-** | **-** |

**ANNEXURE - I : RESTATED STANDALONE STATEMENT OF ACCOUNTING RATIOS**

**(Rs. In Lakhs)**

| Particulars | As at 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| Restated PAT as per P& L Account (Rs. in Lakhs) | 199.18 | 124.03 | - |
| **EBITDA** | 306.72 | 213.67 | - |
| **Actual No. of Equity Shares outstanding at the end of the period** | 2,755,000 | 2,050,000 | 50,000 |
| Weighted Average Number of Equity Shares at the end of the Period (Note -2) (Pre Bonus) | 2,061,589 | 1,770,548 | 50,000 |

| | | | |
|---|---|---|---|
| Net Worth | 797.75 | 326.11 | 4.74 |
| Current Assets | 1138.26 | 661.85 | 5.12 |
| Current Liabilities | 988.39 | 727.94 | 0.38 |
| | | | |
| No Of Shares Weighted Average (Pre Bonus) | 2,061,589 | 1,770,548 | 50,000 |
| No Of Shares Weighted Average (Post Bonus) | 4,123,178 | 3,541,096 | 100,000 |
| **Earnings Per Share** | | | |
| Basic EPS (Pre Bonus) | 9.66 | 7.00 | - |
| Eps (Post Bonus) | 4.83 | 3.50 | - |
| | | | |
| **Return on Net Worth (%)** | 24.97% | 38.03% | - |
| | | | |
| **Net Asset Value Per Share** | | | |
| **Pre Bonus** | 28.96 | 15.91 | 9.48 |
| **Post Bonus** | 14.48 | 15.91 | 9.48 |
| **Current Ratio** | 1.15 | 0.91 | 13.54 |
| **EBITDA** | 306.72 | 213.67 | - |
| Nominal Value per Equity share(Rs.) | 10 | 10 | 10 |
| * The Company does not have any diluted potential Equity Shares. Consequently the basic and diluted profit/earning per share of the company remain the same. | | | |

Notes :

1) The ratios have been calculated as below:

a) Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the year.

b) Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the year.

c) Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100

d) Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the year/ Total Number of Equity Shares outstanding during the year.

2) Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. Further, number of shares are after considering impact of the bonus shares in the ratio of 1 bonus share for 1 fully paid up equity share to the existing shareholders Alloted on APril 26, 2021 i.e. after the balance sheet date but before the date on which financials are approved by Board of Directors.

3) Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.

4) Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss)

5) The figures disclosed above are based on the Restated Financial Statements of the Company.

**ANNEXURE - J(A) : RESTATED STANDALONE STATEMENT OF RELATED PARTY DISCLOSURES**

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.

**A.** List of Related Parties and Nature of Relationship :

| Particulars | Name of Related Parties |
|---|---|
| a) Key Management Personnel's | Mr. Dhruv Rakesh<br>Mr. Rakesh Kumar<br>Mrs. Rekha Bansal |

| | |
|---|---|
| | Ms. Amanpreet Kaur (Company Secretary) |
| | Mr. Baljeet Singh (CFO) |
| b) Concern's in which KMP or their relatives are interested | D.K. Enterprises (Proprietorship of Mrs. Rekha Bansal) |
| | Rakesh Kumar HUF |
| | Sankyo Enterprises (Proprietorship of Mr. Dhruv Rakesh) |
| c) Subsidiary Companies/Firm | Satguru Engravures |

**Note 1** : The above statements should be read with the significant accounting policies and notes to restated summary, statement of assets and liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - J(B) - Transactions carried out with related parties referred to in (1) above, in ordinary course of business:**

**(Rs. In Lakhs)**

| Nature of Transactions | Name of Related Parties | As at March 31 | | |
|---|---|---|---|---|
| | | 2021 | 2020 | 2019 |
| 1. Directors Remuneration | Mr. Dhruv Rakesh | 12.00 | 10.50 | - |
| | Mr. Rakesh Kumar | 24.00 | 21.00 | - |
| **Total** | | **36.00** | **31.50** | **-** |
| 2. Office Rent paid | Mr. Dhruv Rakesh | 4.80 | - | - |
| | Mrs Rekha Bansal | 28.80 | 12.60 | - |
| **Total** | | **33.60** | **12.60** | **-** |
| 3. Loan Recived(Paid) during the Year to Related Parties | **Rakesh Kumar HUF** | | | |
| | Opening Balance | 46.38 | - | |
| | Loan Received during the year | 5.33 | 46.38 | |
| | Loan Paid during the year | (51.72) | | |
| | **Closing Balance** | **-** | **46.38** | **-** |
| | **Mr. Rakesh Kumar** | | | |
| | Opening Balance | 90.00 | - | |
| | Loan Received during the year | 5.73 | 90.00 | |
| | Loan Paid during the year | (95.73) | | |
| | **Closing Balance** | **-** | **90.00** | **-** |
| 4. Salary to KMP | Mr. Baljeet Singh (CFO) | 5.95 | - | - |
| | Ms. Amanpreet Kaur (Company Secretary) | 0.51 | - | |
| **Total** | | **6.46** | **-** | **-** |
| 5. Sale | D.K. Enterprises (Proprietorship of Mrs. Rekha Bansal) | - | 437.76 | - |
| | Satguru Engravures | 220.71 | 95.57 | |
| **Total** | | **220.71** | **533.33** | **-** |
| 6. Purchases | Sankyo Enterprises | 38.81 | 19.73 | - |
| | D.K. Enterprises (Proprietorship of Mrs. Rekha Bansal) | - | 32.91 | |
| | Satguru Engravures | 614.02 | 78.00 | - |
| **Total** | | **652.83** | **130.64** | |
| 7. Investment in Firm | Satguru Engravures | 55.00 | 182.00 | - |
| **Total** | | **55.00** | **182.00** | **-** |
| 8.Profit From Partnership Firm | Satguru Engravures | 47.43 | 28.44 | - |
| **Total** | | **47.43** | **28.44** | **-** |

**(Rs. In Lakhs)**

| Nature of Transactions | Name of Related Parties | As at March 31 | | |
|---|---|---|---|---|
| | | 2021 | 2020 | 2019 |
| 9.Right Issue of Shares | Mr. Dhruv Rakesh | 80.80 | - | - |
| | Mr. Rakesh Kumar | 140.00 | - | |
| | Mrs. Rekha Bansal | 60.00 | - | |
| | Mr. Baljeet Singh (CFO) | 0.40 | - | |
| **Total** | | **281.20** | **-** | **-** |
| 10. Interest on Loan | Mr. Rakesh Kumar | 5.73 | 8.73 | - |
| | Rakesh Kumar HUF | 5.33 | 4.46 | - |
| **Total** | | **11.06** | **13.19** | |
| 11. Takeover | DK Enterprises* | - | 200.00 | - |
| | **Total** | **-** | **200.00** | |

*Proprietorship of Rekha Bansal - "D.K. Enterprise" was acquired in the F.Y. 2019-20 for the comsideration of Rs. 200 Lacs by issue of 2000000 equity shares of Rs. 10 for consideration other than Cash

**Note** : The above statements should be read with the significant accounting policies and notes to restated summary, statement of assets and liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - J(C) - Outstanding Balance as at the end of the year**

**(Rs. In Lakhs)**

| Nature of Transactions | Name of Related Parties | 2021 | 2020 | 2019 |
|---|---|---|---|---|
| 1. Payables | Mr. Rakesh Kumar | - | 90.00 | - |
| | Rakesh Kumar HUF | - | 46.38 | - |
| | **Total** | **-** | **136.38** | **-** |
| 2. Receivables | Sankyo Enterprises | - | 0.31 | - |
| | Satguru Engravures | 0.08 | 34.20 | - |
| **Total** | | **0.08** | **0.31** | **-** |
| 3. Investment | Satguru Engravures | 312.88 | 210.44 | - |
| **Total** | | **312.88** | **210.44** | **-** |

**Note** : The above statements should be read with the significant accounting policies and notes to restated summary, statement of assets and liabilities, profits and losses and cash flows appearing in Annexure D,A,B,C.

**Annexure K - Segment Reporting-2020-21**

The company operates in the business segment of BOPP Tape & laminates and Corrugated boxes & sleeve rolls. As such the activities are defined as two different segments in accordance with the Accounting Standard (AS-17 ) issued under Companies (Accounting Standards) Rules 2006, as amended up to date.

| Segment Reporting Disclosure | | | | | | |
|---|---|---|---|---|---|---|
| | | | | | | Rs. In Lacs |
| Particulars | BOPP Tape and laminates | Corrugated Sheets and boxes | Other | Eliminations | Unallocable Items | Total |
| | Current Year | Current Year | Current Year | Current Year | Current Year | Current Year |
| | | | | | | |
| **REVENUE** | | | | | | |
| External Sales – | | | | | | |
| Indigenous | 2,802.960 | 1,530.28 | 1.53 | - | - | 4,333.23 |
| Export | 152.139 | - | - | - | - | 153.69 |
| Inter Segment Sales | 37.379 | - | 131.42 | -168.8 | - | -- |
| **Total Sales** | **2,992.49** | **1,530.28** | **132.95** | **-168.8** | **-** | **4,486.92** |
| Miscellaneous Income - | | | | | | |
| Operating | 12.6 | 0.33 | - | - | 0.12 | **12.93** |
| Non-Operating | 0.4 | 0.51 | 0.12 | - | 47.43 | **48.34** |
| **Segment Revenue** | **3,005.09** | **1,530.61** | **133.07** | **-168.8** | **47.43** | **4,548.31** |
| **Total Revenue** | **3,005.09** | **1,,530.61** | **133.07** | **-168.8** | **47.31** | **4,548.31** |
| **RESULT** | | | | | | |
| **Segment Result** | **247.67** | **34.78** | **0.71** | **-** | **60.98** | **344.14** |
| Unallocated Corporate Expenses | - | - | - | - | -60.98 | -60.98 |
| Interest Expense | -31.69 | -1.03 | - | - | - | -32.72 |
| **Profit Before Taxation** | **215.98** | **33.75** | **0.71** | **-** | **-** | **250.44** |
| Income Taxes | - | - | - | - | -51.26 | 51.26 |
| **Profit Before Prior Period Expenses** | **215.98** | **33.75** | **0.71** | **-** | **-** | **199.18** |
| Prior Period Expenses | - | - | - | - | - | - |
| **Profit For the Year** | **215.98** | **33.75** | **0.71** | **-** | **-51.26** | **199.18** |
| **OTHER INFORMATION** | | | | | | |
| Segment Assets | 1403.88 | 314.9 | 136.91 | - | - | 1,853.11 |
| Unallocated Corporate Assets | - | - | - | - | 0.88 | 0.88 |
| **Total Assets** | **1403.7** | **314.9** | **136.91** | **-** | **0.88** | **1856.57** |
| Segment Liabilities | 461.98 | 561.78 | - | - | - | 1045.7 |
| **Total Liabilities** | **461.98** | **561.78** | **-** | **-** | **-** | **1045.7** |
| Depreciation | 29.51 | 0.11 | - | - | - | 29.62 |

The company has two primarily reportable business segments as follows:-

**(a) Business Segments**

For management purposes the company is organized into two major reportable segments:

(1) BOPP Tape and laminates

(2) Corrugated sheets and boxes

(3) The divisions are the basis on which the company reports its primary segment information. The 'BOPP Tape and laminates' segment produces BOPP Tape, Laminate and liner. The 'Corrugated sheets and boxes' segment manufactures Corrugated sleeves, sheets and Boxes.

(b) **Segment revenues and expenses**

All segment revenues and expenses are directly attributable to the segments.

(c) **Segment assets and liabilities:**

Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

**(d) Inter-segment transfers:**

Segment revenue, segment expenses and segment result include transfers between business segments and between geographical segments. Such transfers are accounted for at competitive market prices charged to unaffiliated customers for similar goods. Those transfers are eliminated in consolidation.

(e) **Accounting policies:**

The accounting policies consistently used in the preparation of the financial statements are also applied to items of revenues and expenditure in individual segments.

General administrative expenses, head-office expenses, and other expenses that arise at the corporate level and relate to the Group as a whole, are shown as unallocable item

**ANNEXURE - K - Segment Reporting- 2019-20**

The company operates in the business segment of BOPP Tape & laminates and Corrugated boxes & sleeve rolls. As such the activities are defined as two different segments in accordance with the Accounting Standard (AS-17) issued under Companies (Accounting Standards) Rules 2006, as amended up to date.

**Business Segments**

| Segment Reporting Disclosure | | | | | |
|---|---|---|---|---|---|
| | | | | | Rs. In Lacs |
| Particulars | BOPP Tape and laminates | Corrugated boxes and sleeve rolls | Eliminations | Unallocable Items | Total |
| | Current Year | Current Year | Current Year | Current Year | Current Year |
| **REVENUE** | | | | | |
| External Sales – | | | | | |
| Indigenous | 1,887.99 | 1,351.17 | - | - | 3,239.16 |
| Export | 52.94 | - | - | - | 52.94 |
| Inter Segment Sales | 12.62 | - | -12.62 | - | - |
| **Total Sales** | **1,953.55** | **1,351.17** | **-12.62** | **-** | **3,292.10** |
| Miscellaneous Income - | | | | | |
| Operating | 5.28 | - | - | - | **5.28** |
| Non-Operating | - | - | - | 28.69 | **28.69** |
| **Segment Revenue** | **1,958.84** | **1,351.17** | **-12.62** | **28.69** | **3,326.08** |
| **Total Revenue** | **1,958.84** | **1,351.17** | **-12.62** | **28.69** | **3,326.08** |
| **RESULT** | | | | | |
| **Segment Result** | **73.5** | **92.77** | **-** | **28.69** | **194.96** |
| Unallocated Corporate Expenses | - | - | - | -1.53 | -1.53 |
| Interest Expense | - | - | - | -34.84 | -34.84 |
| **Profit Before Taxation** | **-** | **-** | **-** | **-** | **158.6** |
| Income Taxes | - | - | - | - | 33.89 |
| **Profit Before Prior Period Expenses** | **-** | **-** | **-** | **-** | **124.71** |
| Prior Period Expenses | - | - | - | - | **-** |
| **Profit For the Year** | **-** | **-** | **-** | **-** | **124.71** |
| **OTHER INFORMATION** | | | | | |
| Segment Assets | 751.24 | 292.92 | - | 210.44 | 1,254.60 |
| Unallocated Corporate Assets | - | - | - | - | - |
| **Total Assets** | **751.24** | **292.92** | **-** | **210.44** | **1,254.60** |
| Segment Liabilities | 308.41 | 419.53 | - | 186.75 | 914.7 |
| **Total Liabilities** | **308.41** | **419.53** | **-** | **186.75** | **914.7** |
| Depreciation | 16.17 | 6.71 | - | | 22.89 |

| Geographical Segments | | | | | |
|---|---|---|---|---|---|
| Segment Reporting Disclosure | | | | | |
| | | | | | Rs. In Lacs |
| Particulars | Panchkula | Vadodara | Eliminations | Unallocable Items | Total |
| | Current Year | Current Year | Current Year | Current Year | Current Year |
| **REVENUE** | | | | | |
| External Sales – | | | | | |
| Indigenous | 1,887.99 | 1,351.17 | - | - | 3,239.16 |
| Export | 52.94 | - | - | - | 52.94 |
| Inter Segment Sales | 12.62 | - | -12.62 | - | - |
| **Total Sales** | **1,953.55** | **1,351.17** | **-12.62** | **-** | **3,292.10** |
| Miscellaneous Income - | | | | | |

| Geographical Segments | | | | | |
|---|---|---|---|---|---|
| **Segment Reporting Disclosure** | | | | | |
| | | | | | **Rs. In Lacs** |
| **Particulars** | **Panchkula** | **Vadodara** | **Eliminations** | **Unallocable Items** | **Total** |
| | **Current Year** | **Current Year** | **Current Year** | **Current Year** | **Current Year** |
| Operating | 5.28 | - | - | - | **5.28** |
| Non-Operating | - | - | - | 28.69 | **28.69** |
| **Segment Revenue** | **1,958.84** | **1,351.17** | **-12.62** | **28.69** | **3,326.08** |
| **Total Revenue** | **1,958.84** | **1,351.17** | **-12.62** | **28.69** | **3,326.08** |
| **RESULT** | | | | | |
| **Segment Result** | **73.5** | **92.77** | **-** | **28.69** | **194.96** |
| Unallocated Corporate Expenses | - | - | - | -1.53 | -1.53 |
| Interest Expense | - | - | - | -34.84 | -34.84 |
| **Profit Before Taxation** | **-** | **-** | **-** | **-** | **158.6** |
| Income Taxes | - | - | - | - | 33.89 |
| **Profit Before Prior Period Expenses** | **-** | **-** | **-** | **-** | **124.71** |
| Prior Period Expenses | - | - | - | - | **-** |
| **Profit For the Year** | **-** | **-** | **-** | **-** | **124.71** |
| **OTHER INFORMATION** | | | | | |
| Segment Assets | 751.24 | 292.92 | - | 210.44 | 1,254.60 |
| Unallocated Corporate Assets | - | - | - | - | - |
| **Total Assets** | **751.24** | **292.92** | **-** | **210.44** | **1,254.60** |
| Segment Liabilities | 308.41 | 419.53 | - | 186.75 | 914.7 |
| **Total Liabilities** | **308.41** | **419.53** | **-** | **186.75** | **914.7** |
| Depreciation | 16.17 | 6.71 | - | | 22.89 |

The company has two primarily reportable business segments as follows:-

**(a) Business Segments**

For management purposes the company is organized into two major reportable segments:

(1) BOPP Tape and laminates

(2) Corrugated sheets and boxes

(3) The divisions are the basis on which the company reports its primary segment information. The 'BOPP Tape and laminates' segment produces BOPP Tape, Laminate and liner. The 'Corrugated sheets and boxes' segment manufactures Corrugated sleeves, sheets and Boxes.

(b) **Segment revenues and expenses**

All segment revenues and expenses are directly attributable to the segments.

(c) **Segment assets and liabilities:**

Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable"..

(d) **Inter-segment transfers:**

Segment revenue, segment expenses and segment result include transfers between business segments and between geographical segments. Such transfers are accounted for at competitive market prices charged to unaffiliated customers for similar goods. Those transfers are eliminated in consolidation.

(e) **Accounting policies:**

The accounting policies consistently used in the preparation of the financial statements are also applied to items of revenues and expenditure in individual segments.

(f) **Unallocable and Head office expenses**

General administrative expenses, head-office expenses, and other expenses that arise at the corporate level and relate to the Group as a whole, are shown as unallocable item

## OTHER FINANCIAL INFORMATION

**Based on Consolidated Financial Statement**

| Particulars | As at 31st March | |
|---|---|---|
| | 2021 | 2020 |
| Restated PAT as per P& L Account (Rs. in Lakhs) | 243.86 | 149.51 |
| **EBITDA** | 428.10 | 297.26 |
| **Actual No. of Equity Shares outstanding at the end of the period** | 2,755,000 | 2,050,000 |
| Weighted Average Number of Equity Shares at the end of the Period (Note -2) | 2,061,589 | 1,770,548 |
| Net Worth | 797.75 | 327.18 |
| Current Assets | 1692.45 | 905.03 |
| Current Liabilities | 1511.02 | 885.41 |
| | | |
| No Of Shares (Pre Bonus) | 2061589 | 1770548 |
| No Of Shares (Post Bonus) | 4123178 | 3541096 |
| **Earnings Per Share** | | |
| Basic EPS (Pre Bonus) | 11.83 | 8.44 |
| Eps (Post Bonus) | 5.91 | 4.22 |
| | | |
| **Return on Net Worth (%)** | 30.57% | 45.70% |
| | | |
| **Net Asset Value Per Share** | | |
| **Pre Bonus** | 28.96 | 15.96 |
| **Post Bonus** | 14.48 | 15.96 |
| **Current Ratio** | 1.12 | 1.02 |
| **EBITDA** | 428.10 | 297.26 |
| Nominal Value per Equity share(Rs.) | 10 | 10 |

* The Company does not have any diluted potential Equity Shares. Consequently the basic and diluted profit/earning per share of the company remain the same.

Notes :

1) The ratios have been calculated as below:

a) Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the year.

b) Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the year.

c) Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100

d) Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the year/ Total Number of Equity Shares outstanding during the year.

2) Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. Further, number of shares are after considering impact of the bonus shares in the ratio of 1 bonus share for 1 fully paid up equity share to the existing shareholders Alloted on April 26, 2021 i.e. after the balance sheet date but before the date on which financials are approved by Board of Directors.

3) Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.

4) Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss)

5) The figures disclosed above are based on the Restated Financial Statements of the Company.

**Based on Standalone Financial Statement**

| Particulars | As at 31st March | | |
|---|---|---|---|
| | 2021 | 2020 | 2019 |
| Restated PAT as per P& L Account (Rs. in Lakhs) | 199.18 | 124.03 | - |
| **EBITDA** | 306.72 | 213.67 | - |
| **Actual No. of Equity Shares outstanding at the end of the period** | 2,755,000 | 2,050,000 | 50,000 |
| Weighted Average Number of Equity Shares at the end of the Period (Note -2) (Pre Bonus) | 2,061,589 | 1,770,548 | 50,000 |
| Net Worth | 797.75 | 326.79 | 4.74 |
| Current Assets | 1138.26 | 661.85 | 5.12 |
| Current Liabilities | 988.39 | 727.94 | 0.38 |
| | | | |
| No Of Shares Weighted Average (Pre Bonus) | 2,061,589 | 1,770,548 | 50,000 |
| No Of Shares Weighted Average (Post Bonus) | 4,123,178 | 3,541,096 | 100,000 |
| **Earnings Per Share** | | | |
| Basic EPS (Pre Bonus) | 9.66 | 7.00 | - |
| Eps (Post Bonus) | 4.83 | 3.50 | - |
| | | | |
| **Return on Net Worth (%)** | 24.97% | 38.03% | 0.00% |
| | | | |
| **Net Asset Value Per Share** | | | |
| **Pre Bonus** | 28.96 | 15.91 | 9.48 |
| **Post Bonus** | 14.48 | 15.91 | 9.48 |
| **Current Ratio** | 1.15 | 0.91 | 13.54 |
| **EBITDA** | 306.72 | 213.67 | - |
| Nominal Value per Equity share(Rs.) | 10 | 10 | 10 |
| * The Company does not have any diluted potential Equity Shares. Consequently the basic and diluted profit/earning per share of the company remain the same. | | | |

Notes :

1) The ratios have been calculated as below:

a) Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the year.

b) Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the year.

c) Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100

d) Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the year/ Total Number of Equity Shares outstanding during the year.

2) Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. Further, number of shares are after considering impact of the bonus shares in the ratio of 1 bonus share for 1 fully paid up equity share to the existing shareholders Alloted on APril 26, 2021 i.e. after the balance sheet date but before the date on which financials are approved by Board of Directors.

3) Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.

4) Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss)

5) The figures disclosed above are based on the Restated Financial Statements of the Company.

## CAPITALIZATION STATEMENT

## BASED ON CONSOLIDATED FINANCIAL STATEMENT

**(Rs. In Lakhs)**

| Sr. No | Particulars | Pre issue | Post issue |
|---|---|---|---|
| | **Debts*** | | |
| A | Long Term Debt* | 472.19 | 472.19 |
| B | Short Term Debt* | 311.99 | 311.99 |
| C | **Total Debt** | **784.18** | **784.18** |
| | **Equity Shareholders Funds** | | |
| | Equity Share Capital | 275.50 | 750.80 |
| | Reserves and Surplus# | 522.25 | 766.95 |
| D | **Total Equity** | **797.75** | **1,517.75** |
| E | **Total Capital** | **1,581.92** | **2,301.92** |
| | Long Term Debt/ Equity Ratio (A/D) | 0.59 | 0.31 |
| | Total Debt/ Equity Ratio (C/D) | 0.98 | 0.52 |
| Notes : | | | |
| 1) Long Term Debt are borrowings other than short-term borrowings and also includes current maturities of long-term debt included in other current liabilities | | | |
| * The amounts are consider as outstanding as on 31.03.2021 | | | |
| # After Adjusting preliminary expenses to the extent not written off | | | |

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our restated consolidated financial statements included in the Draft Prospectus. You should also read the section entitled "Risk Factors" beginning on page 18, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and, is based on our restated consolidated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year ("Fiscal Year") are to the twelve-month period ended March 31 of that year.

**Business Overview**

**Company Background**

Our Company was incorporated as "D.K. Enterprises Global Hub Limited" at Panchkula (Haryana) on February 26, 2019, under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Central Registration Centre. Subsequently name of our company was changed to "D.K. Enterprises Global Limited" on April 4, 2019 vide certificate of incorporation pursuant to change in name issued by Registrar of Companies, Delhi.

We are mainly engaged in manufacturing of Paper Based Packing Material, Self Adheshive Tapes (specialty tapes likes Masking, Siliconized, Medical and Surface protection Tapes), Laminated Products and flexible Packaging. Our Company is ISO 9001:2015, 45001:2018 certified company. We have been working almost exclusive with major multinational corporations in consumer space.

D.K. Enterprises, a proprietorship concern of Mrs. Rekha Bansal running its business since last two decades which was taken over by our company (including all its movable assets, current assets and liabilities of manufacturing facilities of Panchkula and Vadodara) at a total consideration of ₹ 200.00 Lakhs (including goodwill of Rs. 162079.48) in terms of agreement dated May 15, 2019 by issuing 20,00,000 Equity Shares of Rs. 10 each of our company to Mrs. Rekha Bansal.

Our company's registered office and manufacturing facilities Unit I is located in Panchkula at Haryana and Unit II at Vadodra in Gujarat. We are proposing to commence manufacturing facilities at Baddi in Himachal Pradesh for manufacturing of Clear/Printed Bopp Tape, Masking/specialty tapes and Laminated Products. We are also proposing to installed machinery at Vadodara (Unit II) for manufacturing of Clear/Printed Bopp Tape, Masking/specialty tapes and Laminated Products.

At present, our company is also holding 80% stake in partnership firm namely M/s. Satguru Engravures which is engaged in manufacturing and sale of Soap Stiffners, Soap Wrappers, Banding BOPP Tapes, Laminates etc. and its manufacturing facilities is located at Khasra No. 619/489, Village Koundi, Tehsil Baddi, Distt. Solan, Himachal Pradesh. Our company has invested ₹ 312.87 Lakhs (including share of profit to the extent of Rs. 75.87 Lakhs upto FY 2020-21) in M/s. Satguru Engravures. The turnover of M/s. Satguru Engravures is Rs. 2,666.36 Lakhs and profit after tax is Rs. 90.28 Lakhs for the financial year ended March 31, 2021.

**Significant developments subsequent to the last financial year:**

After the date of last audited accounts i.e. March 31, 2021, the Directors of our Company confirm that, except mentioned below there have not been any significant material developments which materially and adversely affect or is likely to affect within the next twelve months for the trading or profitability of the Company, the value of its assets or its ability to pay its liability;

- Our company has allotted 2755000 Bonus Shares having FV of Rs. 10 each on April 26, 2021 by capitalizing amount in securities premium account and Free Reserves.

**Discussion on Results of Operation:**

The following discussion on results of operations should be read in conjunction with the Restated Consolidated Financial Results of our Company for the years ended March 31; 2021 and 2020.

Our company was incorporated on February 26, 2019 and our company has taken over running business of D.K. Enterprises, a proprietorship concern of Mrs. Rekha Bansal by agreement dated May 15, 2019. Business of our company was effectively started after acquisition of running business of D.K. Enterprises, a proprietorship concern of Mrs. Rekha Bansal. Therefore discussion on results of operations of our company are only presented for FY 2020-21 and FY 2019-20.

**FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS:-**

Our Company's future results of operations could be affected potentially by the following factors:

- Political Stability of the Country;
- World Economy;
- Government policies for the Packaging Industry;
- Inability to successfully obtain registrations in a timely manner or at all;
- Competition from existing players;
- Company's ability to successfully implement growth strategy;
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
- Recession in the market;
- Disruption in supply of Raw Materials at our manufacturing facilities;
- Effect of lack of infrastructural facilities on our business;
- Occurrence of Environmental Problems & Uninsured Losses;
- Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
- The timely completion of the Company's orders;
- Occurrence of natural disasters or calamities affecting the areas in which we have operations;
- Conflicts of interest with affiliated companies, the promoter group and other related parties;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we may be involved in future;
- Our ability to expand our geographical area of operation;
- Concentration of ownership among our Promoters.

**OUR SIGNIFICANT ACCOUNTING POLICIES**

For Significant accounting policies please refer Significant Accounting Policies, "Annexure D" beginning under Chapter titled "Restated Financial Information" beginning on page 133 of the Draft Prospectus.

**RESULTS OF OUR OPERATION (BASED ON RESTATED CONSOLIDATED FINANCIAL STATEMENT)**

| Particulars | Years | |
|---|---|---|
| | 31.03.2021 | 31.03.2020 |
| Revenue from operations | 6,483.89 | 4,511.24 |
| % Increase/(Decrease) | 43.73% | |
| Other Income | 11.90 | 43.79 |
| % Increase/(Decrease) | -72.82% | |
| **Total Revenue** | **6,495.79** | **4,555.03** |
| % of growth | 42.61% | - |
| | | |
| **Expenses** | | |
| Cost of Raw Material Consumed | 5247.06 | 3649.1 |
| % Increase/(Decrease) | 43.79% | |
| Changes in Inventories of FG & WIP | -21.49 | -29.33 |
| Employees Benefit Expenses | 241.00 | 199.58 |
| % Increase/(Decrease) | 20.75% | |
| Finance Costs | 70.79 | 55.39 |
| % Increase/(Decrease) | 27.80% | |
| Depreciation and Amortisation | 53.30 | 34.90 |
| Other expenses | 601.13 | 438.41 |
| % Increase/(Decrease) | 37.12% | |
| **Total Expenses** | **6,191.78** | **4,348.05** |
| % to total revenue | 95.32 | 95.46 |
| Profit/(Loss) Before Extra-Ordinary Items and Tax | 304.01 | 206.97 |
| % to total revenue | 4.68 | 4.54 |
| Exceptional Items | 0.00 | 0.00 |
| Profit before Tax | 304.01 | 206.97 |
| Total tax expense | 61.98 | 55.73 |
| Profit and Loss for the period as Restated | 243.86 | 149.51 |

| Particulars | Years | |
|---|---|---|
| | 31.03.2021 | 31.03.2020 |
| % to total revenue | 3.75 | 3.28 |

## COMPARISON OF FY 2020-21 WITH FY 2019-20:

**Income**

**Income from Operations**

Our Company is mainly engaged in manufacturing of Paper Based Packing Material, Self Adheshive Tapes (specialty tapes likes Masking, Siliconized, Medical and Surface protection Tapes), Laminated Products and flexible Packaging and our subsidiary firm M/s. Satguru Engravures ("Subsidiary Firm")is engaged in manufacturing and sale of Soap Stiffners, Soap Wrappers, Banding BOPP Tapes, Laminates etc.. The total income from operations for the FY 2020-21 on consolidated basis was ₹ 6,483.89 Lakh as compared to ₹ 4,511.24 Lakh during the FY 2019-20 showing an increase of 43.73%. Income from Operations increased on account of increase in volume of products of the company and Subsidiary Firm.

**Other Income**

The other income mainly includes interest on Term Deposit and Discount received by our company from creditor. Reduction in other income is because our subsidiary firm has received GST refund for area based exemption to the extent of Rs. 34.60 Lakhs in FY 2019-20 which is not available to subsidiary firm from FY 2020-21.

**Expenditure:**

**Cost of Raw Material Consumed**
Expense related to raw material consumption in increased by 43.79% in FY 2020-21 as compared to FY 2019-20. Raw Material Consumption was Rs. 5,247.06 Lakhs as compared to Rs. 3,649.10 Lakhs in FY 2019-20. Increase in consumption of raw material is on account of increase in turnover and sales volume of our company.

**Employee Benefit Expenses**

Employee Benefit expenses increased to ₹ 241.00 Lakh for FY 2020-21 from ₹ 199.58 Lakh for FY 2019-20 showing an increase of 20.75%. Employee benefit expenses mainly includes Wages, remuneration to directors, bonus expenses, post-employment expenses provisions and other statutory liability related to our company on consolidated basis.

**Finance Cost**

Finance cost increased ₹ 70.79 Lakh for FY 2020-21 to ₹ 55.39 Lakh for FY 2019-20 showing an increase of 27.80%. Finance cost mainly includes interest cost on working capital loan and unsecured loan. Interest on Car loan is based on reducing balance method therefore interest cost will be in reducing trend. Increase in finance cost is mainly on account of increase in interest paid on working capital loan.

**Depreciation**

The Depreciation and amortization expense for FY 2020-21 was ₹ 53.30 Lakh as compared to ₹ 34.90 Lakh for FY 2019-20. Increase in Depreciation and amortization in due to purchase of plant and machinery and other tangible assets in FY 2020-21.

**Other Expenses**

Other Expenses increased from ₹ 438.41 Lakh for FY 2019-20 to ₹ 601.13 Lakh for FY 2020-21 showing an increase of 37.12%. Other Expense mainly includes Power and Fuel Expenses, Office rent, Travelling Expenses, Selling expense, other manufacturing expenses and repair and maintenance. The increase was mainly on account of increase in Power and Fuel Expenses and Selling Expenses.

**Profit before Extra Ordinary Items and Tax**

The Profit before Extra-Ordinary Items and Tax for the FY 2020-21 was 4.68 % of the total income and it was 4.54% of total income for the FY 2019-20. The Profit before Extra-Ordinary Items and Tax has increased from ₹ 206.97 Lakh in FY 2019-20 to ₹ 304.01 Lakhs in FY 2020-21.

**Profit after Tax (PAT)**

PAT increased from ₹ 149.51 Lakh in the FY 2019-20 to ₹ 243.86 Lakh in FY 2020-21 which is 3.75% of total revenue for FY 2020-21.

## RELATED PARTY TRANSACTIONS

For further information please refer "Annexure J" and Annexure J beginning on Page No. 157 and 185 on Page No. under Chapter titled "Restated Financial Information" beginning on page no. 133 of the Draft Prospectus.

## FINANCIAL MARKET RISKS

We are exposed to financial market risks from changes in borrowing costs, interest rates and inflation.

## INTEREST RATE RISK

We are currently exposed interest to rate risks to the extent of outstanding loans. However, any rise in future borrowings may increase the risk.

## EFFECT OF INFLATION

We are affected by inflation as it has an impact on the operating cost, staff costs etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

## INFORMATION REQUIRED AS PER ITEM (11) (II) (C) (IV) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS, 2018:

**Factors that may affect the results of the operations:**

1. **Unusual or infrequent events or transactions**

To our knowledge there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses etc. that have taken place during the last three years.

2. **Significant economic changes that materially affected or are likely to affect income from continuing operations**.

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in 'Factors Affecting our Results of Operations' and the uncertainties described in the section entitled "Risk Factors" beginning on page no. 18 of the Draft Prospectus. To our knowledge, except as we have described in the Draft Prospectus, there are no known factors which we expect to bring about significant economic changes.

3. **Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section titled "Risk Factors" beginning on page no. 18 In this Draft Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. **Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.**

Our company is engaged in manufacturing of Paper Based Packing Material, Self Adheshive Tapes (specialty tapes likes Masking, Siliconized, Medical and Surface protection Tapes), Laminated Products and flexible Packaging. Our Company's future costs and revenues will be determined by demand/supply situation, government policies.

5. **Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices.**

Increases in revenues are by and large linked to increase in volume of business.

6. **Total turnover of each major industry segment in which the issuer company operated.**

Our company is mainly packaging industry. Relevant Industry data, as available, has been included in the chapter titled "Industry Overview" beginning on page no. 75 of this Draft Prospectus.

**7. Status of any publicly announced new products or business segment.**

Our Company has not announced any new Products or new business segment.

**8. The extent to which business is seasonal.**

Our company is engaged in manufacturing of Paper Based Packing Material, Self Adheshive Tapes (specialty tapes likes Masking, Siliconized, Medical and Surface protection Tapes), Laminated Products and flexible Packaging. Business of our company is not seasonal.

**9. Any significant dependence on a single or few suppliers or customers.**

Our top ten suppliers contributes 64.98% and 65.38% of our total purchase of product for FY 2020-21 and FY 2019-20 respectively.

Our top ten customers contributes 74.63% and 58.91% of our total sales for FY 2020-21 and FY 2019-20 respectively.

**10. Competitive conditions:**

We face competition from various domestic and international players. Our company operates in an industry that is highly fragmented comprising a large number of domestic and international firms. It is a highly personalized and relationship driven enterprise business. Further, innovation is a very important driver in the packaging industry. We believe that our ability to compete effectively is primarily dependent on ensuring consistent quality service with on time delivery at competitive prices. We believe that the principal factors affecting competition in our business include client relationships, reputation, the abilities of employees and market focus.

## SECTION X – LEGAL AND OTHER INFORMATION

## OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

**Note:**

*Pursuant to Board Resolution passed by the Board of Directors of our Company on July 22, 2021; for the purpose of this Issue and this Chapter;*

- *"Material Dues" means outstanding dues to creditors in excess of ₹ 5.00 lakh as per restated standalone financial statement and restated consolidated financial statement for the period ended on March 31, 2021.*

- *"Outstanding Material Litigations" means all pending litigations, if the monetary amount of claim by or against the entity or person in such pending matter exceeds ₹ 2.50 lakhs;*

  *Provided that in case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation be considered as "Pending Material Litigations" only in the event when the outcome of such litigation has an adverse effect on the operations or performance of our Company.*

  *Provided further that criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies/Entities shall be considered "Outstanding Material Litigations" irrespective of amount involved therein.*

Except, as stated in this section and mentioned elsewhere in this Draft Prospectus, there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies/Entities or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters, or Group Companies/Entities.

Except as disclosed below, there are no i) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years; (ii) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (iii) pending proceedings initiated against our Company for economic offences; (iv) default and non-payment of statutory dues by our Company; (v) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company and Subsidiaries including fines imposed or compounding of offences done in those five years; or (vi) material frauds committed against our Company in the last five years.

Except as stated below there are no Outstanding Material Dues (as defined above) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors as per financial statement for the period ended on March 31, 2021.

**1. OUTSTANDING LITIGATIONS INVOLVING OUR COMPANY:**

**(a) Litigations by Company: NIL**

**(b) Litigation against Company: NIL**

**2. OUTSTANDING LITIGATIONS INVOLVING OUR PROMOTERS:**

**(a) Litigations by Promoters:**

**i. By Mr. Rakesh Kumar: NIL**

**ii. By Mrs. Rekha Bansal: NIL**

**iii. By Mr. Dhruv Rakesh: NIL**

**(b) Litigation against Promoters:**

**ii. By Mr. Rakesh Kumar: NIL**

**iii. By Mrs. Rekha Bansal: NIL**

**iv. By Mr. Dhruv Rakesh: NIL**

**3. OUTSTANDING LITIGATIONS INVOLVING OUR DIRECTORS:**

**(a) Litigations by Directors: NIL**

**i. By Mr. Rakesh Kumar: NIL**

**ii. By Mrs. Rekha Bansal: NIL**

**iii. By Mr. Dhruv Rakesh: NIL**

**iv. By Mr. Mr. Jeenendra Prakash Singhvi:**

**v. By Mr. Khagesh Kaushal: NIL**

**(b) Litigation against Directors:**

**i. Against Mr. Rakesh Kumar: NIL**

**ii. Against Mrs. Rekha Bansal: NIL**

**iii. Against Mr. Dhruv Rakesh: NIL**

**iv. Against Mr. Mr. Jeenendra Prakash Singhvi: NIL**

**Under Income Tax Act, 1961**

Following Demand by Income Tax Department;

| Sr. No. | Assessment Year | Date of Demand | Demand Reference No. | Section Code | Payable Amount | Net Payable Amount |
|---|---|---|---|---|---|---|
| 1 | 2018 | May 20, 2019 | 2019201837025754156T | 143 | 81,420.00 | 81,420.00 |
| 2 | 2019 | June 02, 2020 | 20202019370063405 94T | 143a | 105160.00 | 105160.00 |

**v. Against Mr. Khagesh Kaushal: NIL**

**4. OUTSTANDING LITIGATIONS INVOLVING OUR GROUP COMPANIES/ENTITIES AND SUBSIDIARIES:**

**(a) Litigation by Group Companies/Entities/Subsidiaries: NIL**

**i. By M/s Satguru Engrav: NIL**

**ii. By M/s Sankyo Enterprise (Proprietary Firm of Mr. Dhruv Rakesh): NIL**

**iii. By Rakesh HUF: NIL**

**(b) Litigation against Group Companies/Entities/ Subsidiaries:**

1. Against M/s Satguru Engravures (Subsidiary Firm)

**Under Income Tax Act, 1961**

Following Demand by Income Tax Department

| Sr. No. | Assessment Year | Date of Demand | Demand Reference No. | Section Code | Net Payable Amount |
|---|---|---|---|---|---|
| 1 | 2018 | December 24, 2020 | 202020183702352887 4T | 143(3) | 16,430.00 |

**5. PENALTIES IMPOSED IN PAST CASES FOR THE LAST FIVE YEARS: NIL**

## 6. MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET:

Except as mentioned under the chapter "MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OF OPERATION" on Page no. 196 of this Draft Prospectus, there have been no material developments, since the date of the last audited balance sheet.

## 7. MATERIAL DUES TO THE CREDITORS:

As of March 31, 2021, our Company had a total amount of Rs. 728.87 Lakhs as dues outstanding to creditors on standalone basis. Based on the resolution passed by the Board of Directors of our Company on July 22, 2021 determining the quantum of "Material Over Dues", there are no material over dues outstanding as at March 31, 2021.

As of March 31, 2021, our Company had a total amount of Rs. 988.18 Lakhs as dues outstanding to creditors on consolidated basis. Based on the resolution passed by the Board of Directors of our Company on July 22, 2021 determining the quantum of "Material Dues", there are no material over dues outstanding as at March 31, 2021.

Note: There is no principal and interest overdue to MSME (both on standalone and consolidated basis). This information has been determined to the extent such parties have been identified on the basis of information available with the company.

The details pertaining to net outstanding dues towards our Material Creditors and Small Scale Undertakings shall be made available under investors' section on the website of our Company i.e. www.dkenterprises.co.in. It is clarified that such details available on our website do not form a part of this Draft Prospectus. Any one placing reliance on any other source of information, including our Company's website, www.dkenterprises.co.in would be doing so at their own risk.

Further, there are no pending cases with such Material Creditors.

## OTHER MATTERS

**Details of any inquiry, inspection or investigation initiated under present or previous companies laws in last five years against the company or its subsidiaries:** NIL

**Outstanding litigation against other companies or any other person whose outcome could have an adverse effect on our company:** NIL

## GOVERNMENT APPROVALS

In view of the approvals listed below, the Company can undertake this Issue and its current business activities and no further major approvals from any governmental or regulatory authority except otherwise stated in this Prospectus.

### 1) Approvals for the Proposed Issue:

1. The Board of Directors has, pursuant to a resolution passed at its meeting held on February 01, 2021 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.

2. The shareholders of the Company have, pursuant to a special resolution passed in EoGM held on March 01, 2021 authorized the Issue under Section 62(1)(c) of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.

3. The Company has obtained in-principle listing approval dated [●] from NSE for using its name in this offer document for listing of our shares on the Emerge Platform of NSE.

4. The Company has entered into an agreement dated March 05, 2021 with the Central Depository Services (India) Limited ("CDSL") and Skyline Financial Services Private Limited, the Registrar and Transfer Agent for the dematerialization of its shares.

5. The Company has entered into an agreement dated January 29, 2021 with the National Securities Depository Limited ("NSDL") and Skyline Financial Services Private Limited, the Registrar and Transfer Agent for the dematerialization of its shares.

6. The Company's International Securities Identification Number ("ISIN") is INE0GN101014.

Following table sets out the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business.

### 2) Registration obtained under the Companies Act, 2013:

| Sr. No. | Authority Granting Approval | Approval/ Registration No. | Applicable Laws | Nature of Approvals | Validity |
|---|---|---|---|---|---|
| 1. | Deputy Registrar Of Companies, For and on behalf of the Jurisdictional Registrar of Companies, Registrar of Companies, Central Registration Centre | Corporate Identity Number U36999HR2019PLC078806 dated February 06, 2019 | Companies Act, 2013 | Certificate of Incorporation in name of D.K. Enterprises Global Hub Limited | Valid, till cancelled |
| 2. | Registrar of Companies-Delhi | Corporate Identity Number U36999HR2019PLC078806 dated April 04, 2019 | | Certificate of Incorporation pursuant to change from D.K.Enterprises Global Hub Limited to D.K. Enterprises Global Limited | Valid, till cancelled |

### 3) Registration under various Tax related Acts/Rules relating:

| Sr. No. | Authority Granting Approval | Approval/ Registration No. | Applicable Laws | Nature of Approvals | Validity |
|---|---|---|---|---|---|
| 1. | Income Tax Department | AAHCD1216F | Income Tax Act, 1961 | Permanent Account Number | Valid, till cancelled |
| 2. | Income Tax Department | RTKD07977F | Income Tax Act, 1961 | Tax Deduction Account Number | Valid, till cancelled |
| 3. | The Central Goods And Services Tax Act, 2017 | 06AAHCD1216F1Z6 | Goods and Service Tax Laws | Certification of Registration under the Central Goods And Services Tax Act, 2017 | Valid, till Cancelled |

| Sr. No. | Authority Granting Approval | Approval/ Registration No. | Applicable Laws | Nature of Approvals | Validity |
|---|---|---|---|---|---|
| 4. | The Central Goods And Services Tax Act, 2017 | 24AAHCD1216F1Z8 | Goods and Service Tax Laws | Certification of Registration under the Central Goods And Services Tax Act, 2017 | Valid, till Cancelled |
| 5. | The Central Goods And Services Tax Act, 2017 | 03AAHCD1216F1ZC | Goods and Service Tax Laws | Certification of Registration under the Central Goods And Services Tax Act, 2017 | Valid, till Cancelled |
| 6. | Director General of Foreign Trade, Ministry Of Commerce And Industry | Import Export Code: AAHCD1216F issued on May 04, 2019 | Foreign Trade (Development & Regulation) Act, 1992 | Import Export Code | Valid, till cancelled |

## 4) Environment Related Licenses/Approvals/Registrations:

| Sr. No. | Description | Issuing Authority | Registration Number | Date of Certificate | Date of Expiry |
|---|---|---|---|---|---|
| 1. | Consent to Operate – Panchkula (Unit I) | Haryana State Pollution Control Board | HSPCB/Consent/ : 313286318PANCTO5679986 | October 28, 2018 | March 31, 2028 |

## 5) Approvals/Licenses related to our Business Activities

| Sr. No. | Description | Issuing Authority | Registration Number | Date of Certificate/Issuance | Date of Expiry |
|---|---|---|---|---|---|
| 1. | License to Work a Factory (under the Factories Act, 1948 and Rules made thereunder) – for 235, Phase –II, HUDA, Panchkula, Punchkula | Chief Inspector of Factories, Haryana, Chandigarh | License Registration no.- PKL/D-101<br><br>License Serial No.- 1101 | July 29, 2020 | December 31, 2022 |
| 2. | License to Work a Factory (under the Factories Act, 1948 and Rules made thereunder) situated at Vill. Mahuvad Ta.: Padra Dist.: Vadodara | Deputy Director Industrial Safety and Health, Baroda, Gujarat State | 1192/21029/2011 | December 11, 2019 | December 31, 2024 |
| 3. | Udyog Aadhar Memorandum/ | Ministry of Micro, Small and Medium Enterprises, Government of India | UDYAM-HR-13-0001072 | November 11, 2020 | Valid till Cancelled. |

## 6) Licenses/ Approvals under Industrial and Labour Laws::

| Sr. No. | Authority Granting Approval | Registration No. | Applicable Laws/Rules | Nature of Approvals | Validity |
|---|---|---|---|---|---|
| 1. | Regional office,' Provident Fund Organization, Ministry of Labour and Employment | Code of Establishment No. HRKNL0019621000 | Employee's Provident Funds and Miscellaneous Provisions Act, 1952 | Registration with Regional Provident Fund Office for Depositing the Contribution and Subscription of the employees. | Valid, till Cancelled |

| Sr. No. | Authority Granting Approval | Registration No. | Applicable Laws/Rules | Nature of Approvals | Validity |
|---|---|---|---|---|---|
| 2. | | | | | |

## 7) Other Business Related Approvals/Registrations:

| Sr. No. | Authority Granting Approval | Registration No. | Nature of Approvals | Validity |
|---|---|---|---|---|
| 1. | Trans Continental Certification Pvt. Ltd (ISO 45001:2018) (for Panchkula Factory & Vadodara Factory) | Certificate Number OM-9120011975 issued on June 14, 2021 | Occupational Health & Safety Management System | January 19, 2023 |
| 2. | Trans Continental Certification Pvt. Ltd (ISO 9001:2015) (for Panchkula Factory & Vadodara Factory) | Certificate Number Q-9112062859 issued on June 12, 2021 | Quality Management System | June 11, 2024 |

Our Company has taken Domain Registration of our website i.e. www.dkenterprises.co.in.

## GOVERNMENT APPROVAL RELATED TO OUR SUBSIDIARY-

## 8) Registration under various Tax related Acts/Rules relating:

| Sr. No. | Authority Granting Approval | Approval/ Registration No. | Applicable Laws | Nature of Approvals | Validity |
|---|---|---|---|---|---|
| 1. | Income Tax Department | ACRFS8478D | Income Tax Act, 1961 | Permanent Account Number | Valid, till cancelled |
| 2. | Income Tax Department | PTLS21828C | Income Tax Act, 1961 | Tax Deduction Account Number | Valid, till cancelled |
| 3. | The Central Goods And Services Tax Act, 2017 | 02ACRFS8478D1ZP | Goods and Service Tax Laws | Certification of Registration under the Central Goods And Services Tax Act, 2017 | Valid, till Cancelled |

## 9) Environment Related Licenses/Approvals/Registrations:

| Sr. No. | Description | Issuing Authority | Registration Number | Date of Certificate | Date of Expiry |
|---|---|---|---|---|---|
| 1. | Consent to operate under section 25 and 26 of the Water (Prevention and Control of Pollution) Act-1974 and under section-21 of the Air (Prevention and Control of Pollution) Act-1981 | H.P. State Pollution Control Board | CTO/BOTH/RENEW/RO/ 2019/433584 | September 21, 2019 | March 31, 2024 |

## 10) Approvals/Licenses related to our Business Activities:

| Sr. No. | Description | Issuing Authority | Registration Number | Date of Certificate/Issuance | Date of Expiry |
|---|---|---|---|---|---|
| 1. | License to Work a Factory (under the Factories Act, 1948 | Chief Inspector of Factories, Himachal Pradesh | License Registration no.- | January 01, 2021 | December 31, 2025 |

| | | | | | |
|---|---|---|---|---|---|
| | | | L&E(FAC)9-2017254-2227 | | |
| 2. | Udyam Registration | Ministry of Micro, Small and Medium Enterprises, Government of India | UDYAM-HP-11-0001332 | November 11, 2020 | Valid till Cancelled. |
| 3. | Udhyog Aadhar Registration Certificate | Ministry of Micro, Small and Medium Enterprises, Government of India | HP11B0002844 | February 23, 20219 | Valid till Cancelled |

## 11) Licenses/ Approvals under Industrial and Labour Laws::

| Sr. No. | Authority Granting Approval | Registration No. | Applicable Laws/Rules | Nature of Approvals | Validity |
|---|---|---|---|---|---|
| 1. | Regional office,' Provident Fund Organization, Ministry of Labour and Employment | Code of Establishment No. 10000357291SML | Employee's Provident Funds and Miscellaneous Provisions Act, 1952 | Registration with Regional Provident Fund Office for Depositing the Contribution and Subscription of the employees. | Valid, till Cancelled |
| 2. | Regional office, Employees' State Insurance Corporation, Esic, Housing Board, Phase-I, Sai Road, Baddi | Code No. 14001536570000899 effective from February 01, 2015 | Employees' State Insurance Act, 1948 | Implementation of Employees' State Insurance Act, 1948 and Employees of the Factories and Establishment under Section 2 (12) of the Act. | Valid, till Cancelled |

## SECTION XI- INFORMATION WITH RESPECT TO GROUP COMPANYSECTION XI

The definition of "Group Companies/Entities" pursuant to the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, to include companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards and also other companies as are considered material by the Board. Pursuant to a Board resolution dated July 22, 2021, our Board has identified companies/entities with which there were related party transactions, during the period for which financial information is disclosed and formulated a policy to identify other companies which are considered material to be identified as group companies/entities, pursuant to which the following entities are identified as Group Companies/Entities of our Company.

1. M/s Sankyo Enterprise (Proprietary Firm of Mr. Dhruv Rakesh)
2. Rakesh Kumar (HUF)

Except as stated above, there are no companies/entities falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group companies/entities.

As per sub clause C of clause 13 of Schedule VI of SEBI (ICDR) Regulations, 2018, we have provided the financial information of top five unlisted group companies/entities.

### 1. M/s Sankyo Enterprise (Proprietary Firm of Mr. Dhruv Rakesh)

**Brief Profile**

M/s Sankyo Enterprise is a Proprietor Firm of our promoter Mr. Dhruv Rakesh stated on July 11, 2017. It is mainly engaged in the business of development and supply of speciality coatings for packaging purposes.

**Financial Performance**

The summary of Un-audited financials for last three years are as follows:-

**(₹ In Lakhs)**

| Particulars | March 31, 2020 | March 31, 2019 | March 31, 2018 |
|---|---|---|---|
| Total Sales | 23.77 | 14.46 | 17.20 |
| Total expenditure | 21.52 | 11.46 | 15.45 |
| Profit/ (Loss) for the period | 2.25 | 3.00 | 1.75 |

* Books of accounts of Sankyo Enterprises are not audited and return of Income of Sankyo Enterprise are filed under Presumptive Taxation under Section 44AD of the Income Tax Act, 1961.

### 2. Rakesh Kumar (HUF)

**Brief Profile**

Rakesh Kumar (HUF) was constituted on March 09, 1980. It is not engaged in the any business activity except for having Interest Income.

As on the date of filing this Draft prospectus, Rakesh Kumar (HUF) comprise of the following:-

| Sr. No. | Name | Relation | Designation |
|---|---|---|---|
| 1. | Mr. Rakesh Kumar | Self | Karta |
| 2. | Mrs. Rekha Bansal | Wife | Member |
| 3. | Ms. Kanika Rakesh | Daughter | Member |
| 4. | Mr. Dhruv Rakesh | Son | Coparcener |
| 5. | Mrs. Bipasa Bharti | Son's Wife | Member |

### PENDING LITIGATIONS

There is no pending litigation involving any of the above mentioned group companies/entities which has a material impact on our company. However for details of Outstanding Litigation against our Company and Group Companies/Entities, please refer to Chapter titled "OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS" on the Page no. 201 of this Draft Prospectus.

## INFORMATION REGARDING SIGNIFICANT ADVERSE FACTORS RELATED TO THE GROUP COMPANIES/ENTITIES AND IN PARTICULAR REGARDING

- None of the above mentioned Group Companies/Entities is a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 or is under winding up/insolvency proceedings.
- None of our Group Companies/Entities have made a loss in the immediately.

## GENERAL DISCLOSURE

- None of the securities of our Group Entity are listed on any stock exchange and our Group Entity has not made any public or rights issue of securities in the preceding three years.
- None of the above mentioned Group Companies/Entities is in defaults in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against any of the Group Companies/Entities.
- Our Group Entity has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.
- Our Group Entity has not been identified as a Willful Defaulter.

## DEFUNCT /STRUCK-OFF COMPANY

- None of Promoters, Promoter Group and our Group Companies/Entities has remained defunct and no application has been made to Registrar of Companies for Striking off their name from the Register of Companies, during the five years preceding the date of filing this Draft Prospectus.

## COMMON PURSUITS

None of our Group Companies/Entities are in same line of business or have some of the objects similar to that of our company's business.

## BUSINESS INTERESTS AMONGST OUR COMPANY AND GROUP COMPANIES/ENTITIES /ASSOCIATE COMPANIES

**Existing**

Except as mentioned under "Annexure – J" – "STANDALONE RELATED PARTY TRANSACTIONS" on page no. 185 and "Annexure – J" – "CONSOLIDATED RELATED PARTY TRANSACTIONS" on page 157 under Chapter titled "RESTATED FINANCIAL INFORMATION" beginning on Page no. 133 of this Draft Prospectus, there is no business interest among Group Companies/Entities.

**Proposed Related Party Transactions with Group/Entities for FY 2021-22 as approved by the Audit Committee are as follows-**

| Sr. No. | Name of Related Party | Nature of contracts/ arrangements/ transactions | Duration of the contracts /arrangements/ transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Omnibus Approval (Limit Rs. in Lacs) |
|---|---|---|---|---|---|
| 1. | M/s Sankyo Enterprise | Purchase | From 1st April, 2021 to 31st March, 2022 | All transactions entered by the Company is at Market rate and on arms' length basis | 17.00 |
| 2. | Rakesh Kumar | Remuneration | From 1st April, 2021 to 31st March, 2022 | All transactions entered by the Company is at Market rate and on arms' length basis | 36 |
| 3. | Rekha Bansal | Rent | From 1st April, 2021 to 31st March, 2022 | All transactions entered by the Company is at Market rate and on arms' length basis | 1.20 |
| | | Royalty fee | | | 0.50 |
| 4. | Dhruv Rakesh | Remuneration | From 1st April, 2021 to 31st March, 2022 | All transactions entered by the Company is at Market rate and on arms' length basis | 18 |

| | | | | | |
|---|---|---|---|---|---|
| 5. | Mr. Baljeet Singh | Remuneration | From 1st April, 2021 to 31st March, 2022 | All transactions entered by the Company is at Market rate and on arms' length basis | 6 |
| 6. | Ms. Amanpreet Kaur | Remuneration | From 1st April, 2021 to 31st March, 2022 | All transactions entered by the Company is at Market rate and on arms' length basis | 3 |
| 7. | M/s D.K. Enterprises | Purchase | From 1st April, 2021 to 31st March, 2022 | All transactions entered by the Company is at Market rate and on arms' length basis | 22 |
| 8. | M/s Satguru engravures | Sale | From 1st April, 2021 to 31st March, 2022 | All transactions entered by the Company is at Market rate and on arms' length basis | 265.00 |
| | | Purchase | | | 737.00 |

In addition to all above transactions proposed to be entered, our Company may also propose to enter in to new transactions or transactions beyond the present omnibus approval given by the Board of Directors/Audit Committee after obtaining the fresh approval for the new transactions or transactions beyond the omnibus approval specified above.

## DISSOCIATION OF PROMOTERS IN THE LAST THREE YEAR

Our individual Promoters have not disassociated themselves from any Company/entity in the last three years.

## RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP COMPANY/ENTITY AND ITS SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY

For details, please see "Annexure – J" – "RESTATED STANDALONE RELATED PARTY TRANSACTIONS" on page no. 185 and "Annexure – J" – "RESTATED CONSOLIDATED RELATED PARTY TRANSACTIONS" on page no. 157 of this Draft prospectus.

## CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS

Except as mentioned under the paragraph Changes in Significant Accounting Policies, "Annexure – D" and Annexure D on Significant account policies under Chapter titled "RESTATED FINANCIAL INFORMATION" beginning on Page no. 133 of the Draft Prospectus, there have been no changes in the accounting policies in the last three years.

# SECTION XII

# OTHER REGULATORY AND STATUTORY DISCLOSURES

## AUTHORITY FOR THE ISSUE

The Board of Directors has, pursuant to a resolution passed at its meeting held on February 1, 2021 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.

The shareholders of the Company have, pursuant to a special resolution passed in EoGM held on March 1, 2021, authorized the Issue under Section 62(1)(c) of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.

Our Company has received an In-Principle Approval letter dated from NSE for using its name in this offer document for listing our shares on [●] the Emerge Platform of NSE. NSE is the Designated Stock Exchange for the purpose of this issue.

## PROHIBITION BY SECURITIES MARKET REGULATORS

Our Company, our Promoter, our Directors and our Promoters' Group have not been prohibited from accessing or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court.

## CONFIRMAITONS

1. Our Company, our Promoters, Promoters' Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.

2. None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI.

3. There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoters or directors.

## PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY

Neither our Company, nor our Promoter, nor the relatives (as defined under the Companies Act) of our Promoter nor Group Companies/Entities have been identified as willful defaulters by the RBI or any other governmental authority.

## ELIGIBILITY FOR THE ISSUE

We are an issuer whose post issue paid-up capital is less than or equal to ₹ 10 Crore and therefore, our company is eligible for the Issue in accordance with Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018.

Our Company also complies with the eligibility conditions laid by the Emerge Platform of National Stock Exchange of India Limited for listing of our Equity Shares. The point wise Criteria for Emerge Platform of National Stock Exchange of India Limited and compliance thereof are given hereunder;

**1. The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.**

Our Company is incorporated under the Companies Act, 2013.

**2. The post issue paid up capital of the company (face value) shall not be more than ₹ 25.00 Crore.**

The present paid-up capital of our Company is ₹ 551.00 Lakh and we are proposing issue of 19,98,000 Equity Shares of ₹ 10/- each at issue price of ₹ 40/- per Equity Share including share premium of ₹ 30/- per Equity Share, aggregating to ₹ 799.20 Lakh. Hence, our Post Issue Paid up Capital will be ₹ 750.80 Lakh which is less than ₹ 25.00 Crore.

**3. Track Record.**

A. **The company should have a track record of at least 3 years.**

Our Company was incorporated on February 26, 2019 under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Central Registration Centre. Therefore we are in compliance with criteria of having track record of 3 years.

B. **The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive.**

Our Company satisfies the criteria of track record which given hereunder based on Restated Standalone Financial Statement and Restated Consolidated financial Statements.

**On Standalone Basis**

**(₹ In lakh)**

| Particulars | For the period ended March 31, 2021 | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| Operating profit (earnings before interest, depreciation and tax) from operations | 306.72 | 213.67 | 0.00 |
| Net Worth as per Restated Financial Statement | 798.44 | 326.79 | 4.74 |

**On Consolidated Basis**

| Particulars | For the period ended March 31, 2021 | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| Operating profit (earnings before interest, depreciation and tax) from operations | 428.10 | 297.26 | - |
| Net Worth as per Restated Financial Statement | 798.44 | 329.71 | |

**4. Other Requirements**

We confirm that;

i. The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).

ii. There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.

iii. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.

iv. The Company has a website: www.dkenterprises.co.in.

**5. Disclosures**

We confirm that:

i. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting Company(ies), group companies, companies promoted by the promoters/promoting companies of the Company.

ii. There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, promoters/promoting Company(ies), group companies, companies promoted by the promoters/promoting Company(ies) during the past three years.

**In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:**

1. This Issue is 100% underwritten by the Lead Manager in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting by Lead Manager, please refer to Section titled "GENERAL INFORMATION" beginning on Page no. 37 of this Draft Prospectus.

2. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the Lead Manager will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue. For details of the market making arrangement, see Section titled "GENERAL INFORMATION" beginning on Page no. 37 of this Draft Prospectus.

3. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allotees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest at rate of fifteen per cent per annum and within such time as disclosed in the offer document and lead manager shall ensure the same.

4. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of Prospectus through lead manager immediately up on registration of the Prospectus with the Registrar of Companies along a Due Diligence Certificate including additional confirmations. However SEBI shall not issue any observation on our Prospectus.

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, 2018 as amended from time to time and Subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

## SEBI DISCLAIMER CLAUSE

**"IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT OFFER DOCUMENT~~/DRAFT LETTER OF OFFER~~/OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT~~/DRAFT LETTER OF OFFER/OFFER DOCUMENT~~. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT~~/DRAFT LETTER OF OFFER/OFFER DOCUMENT~~ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT OFFER DOCUMENT / OFFER DOCUMENT, THE LEAD MANAGER(S) IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER(S) BEELINE BROKING LIMITED HAS FURNISHED TO STOCK EXCHANGE/SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 9, 2021, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT OFFER DOCUMENT~~/DRAFT LETTER OF OFFER~~/OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER(S) ANY IRREGULARITIES OR LAPSES IN THE DRAFT OFFER DOCUMENT~~/DRAFT LETTER OF OFFER/OFFER DOCUMENT~~."**

**ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, DELHI, IN TERMS OF SECTION 26, 30, 32 AND SECTION 33 OF THE COMPANIES ACT, 2013.**

## DISCLAIMER CLAUSE OF THE NSE

The copy of the Draft Prospectus is submitted to NSE. Post scrutiny of the Draft Prospectus, the Disclaimer Clause as intimated by NSE to us is read as under;

**"As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: [●] dated [●] permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are**

**proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.**

**Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."**

## CAUTION- DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER

The Company, the Directors, accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisement or any other material issued by or at the instance of the issuer and that anyone placing reliance on any other source of information would be doing so at their own risk.

The Lead Manager accepts no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of the issuer and that anyone placing reliance on any other source of information, including Company's website: www.dkenterprises.co.in would be doing so at their own risk.

The Company, the Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of the issuer and that anyone placing reliance on any other source of information, including Company's website: www.dkenterprises.co.in would be doing so at their own risk.

## CAUTION

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Memorandum of Understanding entered into between the Lead Manager, Beeline Broking Limited and our Company dated March 15, 2021 and the Underwriting Agreement dated March 15, 2021 between Beeline Broking Limited and our Company and the Market Making Agreement dated March 15, 2021 entered into among the Market Maker and our Company.

All information shall be made available by us and LM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers etc.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and our Promoter Group, affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company and our Promoter Group, affiliates or associates for which they have received, and may in future receive, compensation.

**Note:**

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company and will not offer, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriters and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our company.

## DISCLAIMER IN RESPECT OF JURISDICTION

This issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub –account registered with SEBI which is a foreign corporate or go reign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Prospectus does not, however, constitute an invitation to subscribe to Equity Shares offered 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 Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Ahmedabad only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

## DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur**.**

**Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.**

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

## FILING OF DRAFT PROSPECTUS/ PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES

A soft copy of Draft Prospectus is filed with SEBI. However, SEBI will not issue any observation on the offer document in term of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Further, a soft copy of the Prospectus along with due diligence certificate including additional confirmations shall be filed with SEBI. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in.

A copy of the Prospectus, along with the material contracts and documents referred elsewhere in the Prospectus, will be delivered to the RoC Office situated at 4th Floor, IFCI Tower,61, Nehru Place, New Delhi-110019.

## LISTING

Application is to be made to the Emerge Platform of NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the issue.

Our Company has received an In-Principle Approval letter dated **[●]** from NSE for using its name in this offer document for listing our shares on the Emerge Platform of NSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE, the Company shall refund through verifiable means the entire monies received within seven days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within eight days after the issuer becomes liable to repay it the issuer and every director of the company who is an officer in default shall, on and from the expiry of the eighth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within Six Working Days from the Issue Closing Date.

## IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

**"Any person who –**

**(a). makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or**

**(b). makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**

**(c). Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447."**

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to twenty lakh rupees or with both.

## CONSENTS

The written consents of Promoter, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory and Peer Review Auditor, Bankers' to the Company, **[●]**, **[●]** and **[●]**, Legal Advisor to the Issue, the Lead Manager to the Issue, Underwriter, Registrar to the Issue and Market Maker to act in their respective capacities have been obtained.

Above consents will be filed along with a copy of the Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Prospectus for registration with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, 1) M/s. Deepak Jindal and Co. ,Chartered Accountants, have provided their written consent for the inclusion of their report on Restated Standalone Financial Statement dated August 7, 2021; and 2) M/s. Deepak Jindal and Co. ,Chartered Accountants, Chartered Accountants have provided their written consent for the inclusion of Statement of Tax Benefits dated July 19, 2021 in this Draft Prospectus, which are available to the Company and its shareholders; and 3) M/s. Deepak Jindal and Co, Chartered Accountants have provided their written consent for the inclusion of extract of certificate on Source of Contribution dated August 2, 2021 in this Draft Prospectus, which are available to the Company and its shareholders.

Further, such consents and reports have not been withdrawn up to the time of delivery of this Draft Prospectus.

## EXPERT OPINION

Except for Peer Review Auditors' reports on the Restated Standalone Financial Statement issued by M/s Deepak Jindal and Co., Chartered Accountants and Statement of Tax Benefits issued by M/s. Deepak Jindal and Co., Chartered Accountants and Certificate on Sources of Contribution issued by M/s. Deepak Jindal and Co.,Chartered Accountants, we have not obtained any other expert opinions.

## PREVIOUS PUBLIC OR RIGHTS ISSUE

There have been no public or rights issue by our Company during the last five years.

## UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

We have not made any previous public issues. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for, or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

## CAPITAL ISSUE DURING THE LAST THREE YEARS

Our Company and Group Companies/Entities have not made any capital issue during the last three years.

## PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and track record of the past issue handled by Beeline Broking Limited, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI, please refer Annexure "A" to this Prospectus and the website of Lead Manager at www.beelinebroking.com.

Track Record of the public issues managed by Lead manager as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI; please see the website of Lead manager i.e. www.beelinebroking.com.

## PROMISE VIS-A-VIS PERFORMANCE

Since, neither our Company nor our Promoters' Group Companies/Entities have made any previous rights or public issues during last five years, Promise vis-a-vis Performance is not applicable.

## STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

All grievances relating to the Offer may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre 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 (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the applicant, application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection centre of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

## DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee comprising of Mr. Khagesh Kaushal– Chairperson, Mr. Jeenendra Prakash Singhvi– Member and Mrs. Rekha Bansal – Member.

Our Company has appointed Ms. Amanpreet Kaur as the Company Secretary and Compliance Officer who may be contacted in case of any pre-issue or post-issue related problems at the following address:

**D.K. ENTERPRISES GLOBAL LIMITED**
**Registered Office:** Plot No-235 Industrial Area Phase-2,
Panchkula,
Haryana 134109 India,
**Tel No.:** +91 91 172 259 1548
**E-Mail:** cs@dkenterprises.co.in
**Website:** www.dkenterprises.co.in;

Till date of this Draft Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

## PUBLIC ISSUE EXPENSES

The total expenses of the Issue are estimated to be approximately ₹ 79.20 lakhs. The expenses of this include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees, processing fees and listing fees. The estimated Issue expenses are as follows:

| Expenses | Expenses (₹ in Lakh) | Expenses (% of total Issue expenses) | Expenses (% of Gross Issue Proceeds) |
|---|---|---|---|
| Lead Manger Fees including Underwriting Commission | 25.00 | 31.57 | 3.13 |
| Fees Payable to Registrar to the Issue | 1.00 | 1.26 | 0.13 |
| Fees Payable for Advertising, Advisor, Marketing Expenses and Printing Expenses | 40.70 | 51.39 | 5.09 |
| Fees Payable to Regulators including Stock Exchanges and other Intermediaries | 4.50 | 5.68 | 0.56 |
| Legal Advisor | 0.50 | 0.63 | 0.06 |
| Fees payable to Peer Review Auditor | 1.00 | 1.26 | 0.13 |
| Fees Payable to Market Maker (for Two Years) | 6.00 | 7.58 | 0.75 |
| Escrow Bank Fees | 0.50 | 0.63 | 0.06 |
| **Total Estimated Issue Expenses** | **79.20** | **100.00** | **9.91** |

***Note:***

1. *Up to July 31, 2021 Our Company has deployed/incurred expense of ₹7.52 Lakhs towards Issue Expenses and custodian connectivity charges out of internal accruals duly certified by Statutory Auditor M/s. Deepak Jindal and Co., Chartered Accountants vide its certificate dated July 31, 2021bearing UDIN: 21514745AAAADN3207.*
2. *Any expenses incurred towards aforesaid issue related expenses during the period from August 20, 2020 to till the date of listing of Equity Shares will be reimburse/recouped out of the gross proceeds of the issue.*
3. Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:
   Portion for RIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)
   Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)
   ^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).
4. The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.
5. Registered Brokers, will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.
6. SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.
7. Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.

## FEES PAYABLE TO LEAD MANAGER TO THE ISSUE

The total fees payable to the Lead Manager will be as per the Engagement Letter, a copy of which is available for inspection at the Registered Office of our Company.

## FEES PAYABLE TO THE REGISTRAR TO THE ISSUE

The fees payable to the Registrar to the Issue, for processing of application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Agreement between the Company and the Registrar to the Issue.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, communication expenses etc. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post or email.

## FEES PAYABLE TO OTHERS

The total fees payable to the Sponsor Bank, Legal Advisor, Statutory Auditor and Peer Review Auditor, Market maker and Advertiser, etc. will be as per the terms of their respective engagement letters.

## COMMISSION PAYABLE TO SCSBS

1. Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:
   Portion for RIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)
   Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)
   ^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).
2. The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.
3. Registered Brokers, will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.
4. SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.
5. Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.

## PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled "CAPITAL STRUCTURE" beginning on Page no. 43 of this Draft Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

## LISTED VENTURES OF PROMOTER

There are no listed ventures of our Company as on date of filing of this Draft Prospectus.

## OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Draft Prospectus.

## CHANGES IN AUDITORS

There has not been any changes in Auditors of the Company. The Statutory Audit of the company up to financial year 2021-22 was carried out by M/s Deepak Jindal & Co., Chartered Accountants, Chandigarh (FRN: 023023N) ,having address SCO 2935-36, Level-II, Sector 22-C, Chandigarh-160 022.

## CAPITALIZATION OF RESERVES OR PROFITS DURING LAST 5 (FIVE) YEARS

Except as stated below, our Company has not capitalized Reserves or Profits during last five years;

Our Company has made of allotment of 27,55,000 Fully Paid up Bonus Equity Shares made on April 26, 2021 in the ratio of 1 equity share for each 1 Equity share held as on April 24 ,2021 , by capitalizing ₹ 2,75,50,000 out of balance lying in Securities and Premium and Profit and Loss Account under major head " Reserve and Surplus" as follows

| Sr. No. | Name of Allottee | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|---|---|---|---|---|
| 1. | Mr. Dhruv Rakesh | 2,26,750 | 10 | - |
| 2. | Mr. Rakesh Kumar | 3,62,425 | 10 | - |
| 3. | Mrs. Rekha Bansal | 21,62,425 | 10 | - |
| 4. | Mr. Baljeet Singh | 1100 | 10 | - |
| 5. | Mrs. Ishita Swami | 1100 | 10 | - |
| 6. | Mr. Jatin Sawhney | 1100 | 10 | - |
| 7. | Mrs. Bipasha Bharti | 100 | 10 | |

| | | | |
|---|---|---|---|
| **Total** | **2755000** | **10** | |

## REVALUATION OF ASSETS DURING THE LAST FIVE (5) YEARS

Our Company has not revalued its assets during last five years.

# SECTION XIII - ISSUE RELATED INFORMATION

## TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, 2013, SEBI (ICDR) Regulations, 2018 including amendments thereof, our Memorandum and Articles of Association, the terms of this Draft Prospectus, the Draft Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, ROC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

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 also been authorized to collect the Application forms. Investor may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

### RANKING OF EQUITY SHARES

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association and 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 chapter titled "DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION" beginning on page no. 275 of this Draft Prospectus.

### MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any, declared) will be approved by the Board of Directors.

### FACE VALUE AND ISSUE PRICE

The face value of the Equity Shares is ₹ 10/- each and the Issue Price is ₹ 40/- per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled "BASIS FOR ISSUE PRICE" beginning on page no. 70 of this Draft Prospectus.

At any given point of time there shall be only one denomination for the Equity Shares.

### COMPLIANCE WITH SEBI (ICDR) REGULATIONS, 2018

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;

- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and the Memorandum and Articles of Association of our Company.

For a detailed description of the provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the chapter titled "DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION" beginning on page no. 275 of this Draft Prospectus.

## MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of Section 29 of the Companies Act 2013, the Equity Shares shall be allotted only in dematerialized form. As per the existing SEBI (ICDR) Regulations, 2018, the trading of the Equity Shares shall only be in dematerialized form for all investors.

The trading of the Equity Shares will happen in the minimum contract size of 3000 Equity Shares and the same may be modified by Emerge Platform of NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 3000 Equity Share subject to a minimum allotment of 3000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

## MINIMUM NUMBER OF ALLOTTEES

The minimum number of allottees in 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 the SCSBs or Sponsor Bank shall be unblocked within 6 Working days of closure of issue.

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Ahmedabad.

**The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

**The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

## JOINT HOLDERS

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

## NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 (1) & 72 (2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicants, may nominate up to three persons, vide Multiple Nominations facility made available by CDSL and NSDL, to whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest in respect of Percentage assigned to each nominee at the time of nomination. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination interest shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

(a) to register himself or herself as the holder of the Equity Shares; or
(b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

## PERIOD OF OPERATION OF SUBSCRIPTION LIST OF PUBLIC ISSUE

| | | | |
|---|---|---|---|
| **ISSUE OPENS ON** | **[●]** | **ISSUE CLOSES ON** | **[●]** |

An indicative timetable in respect of the Offer is set out below:

| Event | Indicative Date |
|---|---|
| **Offer Closing Date** | **[●]** |
| **Finalization of Basis of Allotment with NSE** | **[●]** |
| **Initiation of refunds /unblocking of funds from ASBA Account** | **[●]** |
| **Credit of Equity Shares to demat accounts of Allottees** | **[●]** |
| **Commencement of trading of the Equity Shares on NSE** | **[●]** |

**The above time table is indicative and does not constitute any obligation on our Company. 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 NSE is taken within six Working Days from the Offer Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.**

Applications and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period. On the Issue Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of Applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchange. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, not later than 5.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public issue, some Applications may not get uploaded due to lack of sufficient time. Such Applications that are not uploaded will not be considered for allocation under the Issue. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask for rectified data.

## MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

The issuer does not receive the minimum subscription of hundred per cent. of the offer through offer document on the date of closure of the issue or devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue or withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the stock exchanges for the securities so offered under the offer document, the issuer shall forthwith refund the entire

subscription amount received. If there is a delay beyond fifteen days after the issuer becomes liable to pay the amount, the issuer and every director of the issuer who are officers in default, shall pay interest at the rate of fifteen per cent. per annum.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 6 working days of closure of issue.

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**NO RESERVATION FOR EIGIBLE NRIS, FIIS REGISTERED WITH SEBI, VCFS REGISTERED WITH SEBI AND QFIS**

It is to be understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

## AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

## ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the equity shares will happen in the minimum contract size of 3000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by Emerge Platform of NSE from time to time by giving prior notice to investors at large.

However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of NSE.

## RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre-Issue Equity Shares and Minimum Promoters' Contribution in the Issue as detailed in the chapter "CAPITAL STRUCTURE" beginning on page no. 43 of this Draft Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the chapter titled "DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION" beginning on page no. 275 of this Draft Prospectus.

## NEW FINANCIAL INSTRUMENTS

The Issuer Company is not issuing any new financial instruments through this Issue.

## OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

**Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

## MIGRATION TO MAIN BOARD

Our Company may migrate to the main board of NSE on a later date, subject to the following:

If the Paid up Capital of the company is more than ₹ 10 crores and up to ₹ 25 crores, we may migrate equity shares to the main board of the stock exchanges if shareholders approve such a migration by passing a special resolution through postal ballot to this effect and if Company fulfils the eligibility criteria for listing laid down by the Main Board

Provided that the special resolution shall be acted upon if and only if the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

OR

Where the post-issue face value capital of the Company listed on a SME exchange is likely to increase beyond twenty five crore rupees by virtue of any further issue of capital by the Company by way of rights issue, preferential issue, bonus issue, etc. the Company shall migrate its specified securities listed on a SME exchange to the Main Board and seek listing of the specified securities proposed to be issued on the Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board:

Provided that no further issue of capital by the Company shall be made unless;

a) the shareholders of the Company have approved the migration by passing a special resolution through postal ballot wherein the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal;

b) the Company has obtained an in-principle approval from the Main Board for listing of its entire specified securities on it.

## MARKET MAKING

The shares offered though this issue are proposed to be listed on the Emerge Platform of NSE, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the Emerge Platform of NSE for a minimum period of three years from the date of listing of shares offered though this Draft Prospectus. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker; please see "GENERAL INFORMATION – DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE" on page no. 40 of this Draft Prospectus.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is less than or equal to ₹ 10 crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the Emerge Platform of NSE). For further details regarding the salient features and terms of such an issue, please refer chapter titled "Terms of Issue" and "Issue Procedure" on page no. 221 and 228 respectively of this Draft Prospectus.

Public issue of 1998000 equity shares of face value of ₹ 10/- each for cash at a price of ₹ 40/- per equity share including a share premium of ₹ 30/- per equity share (the "issue price") aggregating to ₹ 799.20 Lakh ("the issue") by our company.

| Particulars | Net Issue to Public | Market Maker reservation portion |
|---|---|---|
| **Number of Equity Shares*** | 1896000 Equity Shares | 102000 Equity Shares |
| **Percentage of Issue Size available for allocation** | 94.89% of the Issue Size<br>25.25% of the Post Issue Paid up Capital | 5.11% of the Issue Size<br>1.36% of the Post Issue Paid up Capital |
| **Basis of Allotment/ Allocation if respective category is oversubscribed** | Proportionate subject to minimum allotment of 3000 Equity Shares and Further allotment in multiples of 3000 Equity Shares each.<br><br>For further details please refer to the section titled "Issue Procedure – Basis of Allotment" on page no. 269 of this Draft Prospectus. | Firm Allotment |
| **Mode of Application** | All the Applicants shall make the Application (Online or Physical) through ASBA Process Only. | Through ASBA mode Only. |
| **Minimum Application Size** | **For QIB and NII:**<br>Such number of Equity Shares in multiples of 3000 Equity Shares such that the Application Value exceeds ₹ 2,00,000<br><br>**For Retail Individuals:**<br>3000 Equity Shares | 102000 Equity Shares |
| **Maximum Bid** | **For QIB and NII:**<br>Such number of Equity Shares in multiples of 3000 Equity Shares such that the Application Size does not exceed 1896000 Equity Shares subject to limit the investor has to adhere under the relevant laws and regulations applicable.<br><br>**For Retail Individuals:**<br>3000 Equity Shares so that the Application Value does not exceed ₹ 2,00,000 | 102000 Equity Shares |
| **Mode of Allotment** | Compulsorily in dematerialized mode | Compulsorily in dematerialized mode |
| **Trading Lot** | 3000 Equity Shares | 3000 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018. |
| **Terms of payment** | Entire Application Amount shall be payable at the time of submission of Application Form. | |

* 50% of the shares offered in the Net Issue to Public portion are reserved for applications whose application value is below ₹ 2,00,000 and the balance 50% of the shares are available for applications whose application value is above ₹ 2,00,000.

## WITHDRAWAL OF THE ISSUE

In accordance with the SEBI ICDR Regulations, our Company, in consultation with Lead Manager, reserves the right not to proceed with this Issue at any time after the Issue Opening Date, but before our Board meeting for Allotment, without assigning reasons thereof. If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-Issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification. In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Ahmedabad.

## ISSUE PROGRAMME

| | |
|---|---|
| **ISSUE OPENS ON** | [●] |
| **ISSUE CLOSES ON** | [●] |

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the FEMA, the Consolidated FDI Policy and the circulars and notifications issued thereunder. Unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy, subject to certain applicable pricing and reporting requirements. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), has issued consolidated FDI Policy 2020 ("FDI Policy 2020"), which is effective from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT, all investments by entities incorporated in a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy.

As per the existing policy of the Government, OCBs were not permitted to participate in this issue.

The Reserve Bank of India ("RBI") also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated January 4, 2018 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2020 has to be obtained by the Company.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained; and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time.; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalites (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and iv) where the investee company is in the financial sector provided that: a) Any 'fit and proper/due diligence' requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or Subsequent purchase or sale transaction in the Equity Shares of Our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

## INVESTMENT CONDITIONS/RESTRICTIONS FOR OVERSEAS ENTITIES

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule I to X of Foreign Exchange Management (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident

outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment up to aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

**INVESTMENT BY FPIS UNDER PORTFOLIO INVESTMENT SCHEME (PIS):**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

**INVESTMENT BY NRI OR OCI ON REPATRIATION BASIS:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule III of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 i.e. the total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

**INVESTMENT BY NRI OR OCI ON NON-REPATRIATION BASIS**

As per current FDI Policy 2020, Investment by NRIs under Schedule IV of Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will be deemed to be domestic investment at par with the investment made by residents– Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

**Further, no Issue to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Draft Prospectus Directive except for any such Issue made under exemptions available under the Draft Prospectus Directive, provided that no such Issue shall result in a requirement to publish or supplement a draft prospectus pursuant to the Draft Prospectus Directive, in respect of the Issue.**

**Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft Prospectus.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

## ISSUE PROCEDURE

All Applicants 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.

In consultation with SEBI and other SEBI registered intermediaries SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 effective to issues opening on or after from May 01, 2021, is applicable in relation to initial public issue on Main Board. This IPO being a SME IPO in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 and therefore the said circular is not applicable.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) Allocation of shares; (iii) Payment Instructions for ASBA Applicants; (iv) Issuance of CAN and Allotment in the Offer; (v) General instructions (limited to instructions for completing the Application Form); (vi) Submission of Application Form; (vii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (viii) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (vi) mode of making refunds; and (vii) interest in case of delay in Allotment or refund.

SEBI through UPI Circulars, 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 RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days (**"UPI Phase I"**). The UPI Phase I was effective till June 30, 2019.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020.Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors ("UPI Phase III"), as may be prescribed by SEBI. Accordingly, the Offer has been undertaken under UPI Phase II, till any further notice issued by SEBI.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40. The list of Stock Brokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by National Stock Exchange of India Limited ("NSE") to act as intermediaries for submitting Application Forms are provided on www.nseindia.com/emerge/. For details on their designated branches for submitting Application Forms, please see the above mentioned website of NSE.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

This section applies to all the Applicants.

### FIXED PRICE ISSUE PROCEDURE

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 252 of SEBI (ICDR) Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(1) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via Fixed Price Issue method. In terms of Regulation 253(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be issued to Non Retail Category i.e. QIBs and Non Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications being received at Issue Price, allocation to all categories in the Net Offer, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange. However, if the retail individual investor category is entitled to more than fifty per cent of the net Issue on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI.

In case of QIB Applicants, the Company, in consultation with the Lead Manager, may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing. In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchange.**

**PHASED IMPLEMENTATION OF UPI FOR BIDS BY RETAIL INDIVIDUAL BIDDERS AS PER THE UPI CIRCULAR**

SEBI has issued UPI Circular in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circular, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 and till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediaries and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 and the continuation of this phase has been extended until March 31, 2020. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. Further, pursuant to SEBI circular dated March 30, 2020, this phase has been extended till further notice.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The issuers are to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock

Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Bidders into the UPI Mechanism.

For further details, refer to the General Information Document to be available on the website of the Stock Exchange and the Lead Manager.

**Electronic registration of Bids**

a) The Designated Intermediary registered the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries could also set up facilities for off-line electronic registration of Bids, subject to the condition that they would subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Offer.

b) On the Bid/Offer Closing Date, the Designated Intermediaries uploaded the Bids till such time as were permitted by the Stock Exchanges and as disclosed in this Draft Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform were considered for allocation/Allotment. The Designated Intermediaries were given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchanges' Platform during the Bid/Offer Period after which the Stock Exchange(s) sent the bid information to the Registrar to the Offer for further processing.

## AVAILABILITY OF DRAFT PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Draft Prospectus together with the Application Forms and copies of the Draft Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. An electronic copy of the Application Form will also be available for download on the website of the Stock Exchange (National Stock Exchange of India Limited) i.e. www.nseindia.com/emerge/ at least one day prior to the Issue Opening Date.

All the investors (except Retail Individual Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, Retail Individual Investors applying in public Issue through intermediaries shall use only UPI payment mechanism for application. The application form submitted by NIIs and QIBs must provide applicant's bank account details and authorization to block funds in the relevant space provided in the Application Form. Further, Retail Individual Investors submitting application form using UPI shall mention the UPI of his/her own Bank account in the application form in the relevant space. The Application Forms that do not contain applicant's bank account details or UPI of own Bank Account, as the case may be, are liable to be rejected. All the investors were also required to ensure that the ASBA Account had sufficient credit balance as an amount equivalent to the full Bid Amount which could have been blocked by the SCSB.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the syndicate member/ SCSBs/ RTA/ DPs/ stock brokers, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID were liable for rejection.

The prescribed colour of the Application Form for various categories is as follows:

| Category | Colour of Application Form* |
|---|---|
| Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis | White |
| Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis | Blue |

**excluding electronic Application Forms downloaded by the Applicants.*

## SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Draft Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account or UPI linked Bank Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:

i. An SCSB, with whom the bank account to be blocked, is maintained

ii. A syndicate member (or sub-syndicate member)

iii. A stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker")

iv. A depository participant ("DP") (Whose name is mentioned on the website of the stock exchange as eligible for this activity)

v. A registrar to an issuer and share transfer agent ("RTA") (Whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), shall enter their UPI ID in the application form.

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Designated Intermediaries (other than SCSBs) after accepting application form submitted by NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the applicants has a bank account and shall not submit it to any non-SCSB Bank.

For applications submitted to Designated Intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of Stock Exchange. Further, Intermediaries shall retain physical application forms submitted by retail individual investors with UPI as a payment mechanism, for a period of six months and thereafter forward the same to the issuer/ Registrar to the Issue. However, in case of Electronic forms, "printouts" of such applications need not be retained or sent to the issuer. Intermediaries shall, at all times, maintain the electronic records relating to such forms for a minimum period of three years.

SCSB, after accepting the form, shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and blocked funds available in the bank account specified in the form, to the extent of the application money specified.

It is clarified that Retail Individual Investors may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism.

The upload of the details in the electronic bidding system of stock exchange will be done by:

| | |
|---|---|
| **For Applications submitted by investors to SCSB:** | After accepting the form submitted by RIIs (without using UPI for payment), NIIs and QIBs, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified. |
| **For applications submitted by investors (other than Retail Individual Investors) to intermediaries other than SCSBs without use of UPI for payment:** | After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of 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 Offer. |
| **For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment** | After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).<br><br>Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis through API integration, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds.<br><br>Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor shall accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account. |

Stock exchange(s) shall validate the electronic application details with depository's records for DP ID/Client ID and PAN Combination, on a real time basis through API Integration and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange(s) shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the application details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants have deemed to have authorised our Company to make the necessary changes in the Draft Prospectus, without prior or Subsequent notice of such changes to the Applicants.

## WHO CAN APPLY?

**As per the existing RBI regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

Each Applicants should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, 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. Applicants are requested to refer to the Draft Prospectus for more details.

**Subject to the above, an illustrative list of Applicants is as follows:**

a) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);

b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The 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;

c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;

d) QIBs;

e) Mutual Funds registered with SEBI;

f) 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;

g) 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);

h) 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;

i) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;

j) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant's category;

k) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;

l) Foreign Venture Capital Investors registered with the SEBI;

m) 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;

n) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;

o) Insurance Companies registered with Insurance Regulatory and Development Authority, India;

p) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;

q) Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;

r) 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;

s) Insurance funds set up and managed by army, navy or air force of the Union of India;

t) Multilateral and bilateral development financial institution;

u) Eligible QFIs;

v) Insurance funds set up and managed by army, navy or air force of the Union of India;

w) Insurance funds set up and managed by the Department of Posts, India;

x) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

***The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.***

## PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER

The Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, in the Non-Institutional Category where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of Lead Manager and syndicate members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Promoter and Promoter Group and any persons related to our Promoter and Promoter Group cannot participate in the Issue.

## APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depositary), foreign nationals, trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

## APPLICATION BY MUTUAL FUNDS

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

- No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company.

  Provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds.

- No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications, provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

## APPLICATIONS BY ELIGIBLE NRIS ON REPATRIATION BASIS

**ELIGIBLE NRIS APPLYING ON A REPATRIATION BASIS ARE ADVISED TO USE THE APPLICATION FORM MEANT FOR NON-RESIDENTS (BLUE IN COLOUR).**

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. Companies are required to file declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis.

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants making application on a repatriation basis by using the Non Resident Forms, should authorize their SCSB to block their Non-Resident External (NRE) accounts, or Foreign Currency Non-Resident (FCNR) or ASBA Accounts.

**Eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non Resident Ordinary (NRO) accounts for the full Application Amount, at the time of the submission of the Application Form.**

Allotment of Equity Shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

The Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

## APPLICATIONS BY ELIGIBLE FPIs INCLUDING FIIs ON REPATRIATION BASIS

**FPIs INCLUDING FIIs WHO WISH TO PARTICIPATE IN THE ISSUE ARE ADVISED TO USE THE APPLICATION FORM FOR NON- RESIDENTS (BLUE IN COLOUR).**

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. Foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction

companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies'(IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.

2. Where a foreign institutional investor or a sub account, prior to commencement of FEMA Act, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.

3. In respect of investments in the secondary market, the following additional conditions shall apply:

   (a). A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;

   (b). Nothing contained in clause (a) shall apply to:

      i. Any transactions in derivatives on a recognized stock exchange;
      ii. Short selling transactions in accordance with the framework specified by the Board;
      iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
      iv. Any other transaction specified by the Board.

   (c). No transaction on the stock exchange shall be carried forward;

   (d). The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board;

      Provided nothing contained in this clause shall apply to:

      i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
      ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
      iii. sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
      iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 2018;
      v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
      vi. Any Application for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
      vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
      viii. Any other transaction specified by the Board.

   (e). A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

      Provided that any shares held in non-dematerialized form, before the commencement of FEMA Act, can be held in non-dematerialized form, if such shares cannot be dematerialized.

      Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.

5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.

6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.

7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

8. No foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

   (a). Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;

   (b). Such offshore derivative instruments are issued after compliance with 'know your client' norms:

   Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

   Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

9. A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

10. Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

11. Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

12. A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

13. A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

14. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.

15. The issue of Equity Shares to a single FII should not exceed 10% of our post Issue Paid up Capital of the Company. In respect of an FII investing in Equity Shares of our Company on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.

16. In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its board of Directors followed by the special resolution to that effect by its shareholders in their General Meeting. As on the date of filing the Draft Prospectus, no such resolution has been recommended to the shareholders of the Company for adoption.

17. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as

amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "Know Your Client" requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

18. In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

## APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS

The SEBI (Venture Capital Funds) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. Further, the SEBI, AIF Regulations prescribes, among others, the investment restrictions on AIFs.

The holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicants on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all such Applicants will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

## APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of applications 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 Application Form. Failing which, the Company reserves the right to reject any application, without assigning any reason thereof.

## APPLICATIONS BY INSURANCE COMPANIES

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (The "IRDA Investment Regulations"), are broadly set forth below:

a.) Equity shares of a Company: the least of 10% of the investee Company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

b.) The entire group of the investee Company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

c.) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

## APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS

In case of applications made by provident funds with minimum corpus of ₹25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

## APPLICATION UNDER POWER OF ATTORNEY

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹25 Crores, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

a.) With respect to applications by VCFs, FVCIs, FPIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

b.) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

c.) With respect to applications made by provident funds with minimum corpus of ₹25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹25 Crores, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

d.) With respect to Applications 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 Application Form.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form , subject to such terms and conditions that the Company and the lead manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

***The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.***

## INDICATIVE PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE

## ASBA PROCESS

**In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.**

Lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on www.sebi.gov.in. For details on designated branches of SCSB collecting the Application Form, please refer the below mentioned SEBI link.

https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35
https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ("ASBA Account") is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

## CHANNELS OF SUBMISSION OF APPLICATION FORMS

From July 1, 2019 in Phase II, RIIs shall use only Channel I, Channel II and Channel IV (as described below) for making applications in a public issue:

| Category of Investor | Channel I | Channel II | Channel III | Channel IV |
|---|---|---|---|---|
| Retail Individual Investor (RII) | Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.<br><br>For such applications the existing process of uploading the Application and blocking of finds in the RIIs account by the SCSB would continue. | Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers. | Not Applicable | RIIs may submit the Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds. |
| Non- Institutional Investor (NII) including Qualified Institutional Buyer (QIB) | | | Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds.<br><br>For such applications the Designated Intermediary will upload the Application in the stock exchange | Not Applicable |

| Category of Investor | Channel I | Channel II | Channel III | Channel IV |
|---|---|---|---|---|
| | | | bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds. | |

Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such Applications with the Stock Exchange.

If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Applications and shall not upload such Applications with the Stock Exchange.

If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each Application into the electronic bidding system as a separate Application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be.

Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

## PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE SUBMITTED BY RETAIL INDIVIDUAL INVESTOR

In addition to application to be submitted to SCSB, with whom the bank account to be blocked, is maintained, a RII would also have the option to submit application form with any of the intermediary and use his / her bank account linked UPI ID for the purpose of blocking of funds with effect from January 01, 2019.

The detailed process in this regard is as detailed hereunder:

**Application and validation process**

(a). submission of the application with the intermediary, the RII would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).

(b). RII will fill in the Application details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediary.

(c). The intermediary upon receipt of form will upload the Application details along with UPI ID in the stock exchange bidding platform.

(d). Once the Application has been entered in the bidding platform, the exchange will undertake validation of the PAN and Demat Account details of RII with the depository.

(e). Depository will validate the aforesaid Application details on a real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.

(f). SMS from exchange to RII for applying: Once the Application details are uploaded on the stock exchange platform, the stock exchange shall send an SMS to the RII regarding submission of his / her application, daily at the end of day basis, during bidding period. For the last day of applying, the SMS may be sent out the next working day.

**The Block Process**

(a). Post undertaking validation with depository, the stock exchange will, on a continuous basis, electronically share the Application details along with RIIs UPI ID, with the Sponsor Bank appointed by the issuer.

(b). The Sponsor Bank will initiate a mandate request on the RII i.e. request the RII to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment.

(c). The request raised by the Sponsor Bank, would be electronically received by the RII as a SMS / intimation on his / her mobile no. / Mobile app, associated with UPI ID linked bank account.

(d). The RII would be able to view the amount to be blocked as per his / her Application in such intimation. The RII would also be able to view an attachment wherein the IPO Application details submitted by RII will be visible. After reviewing the details properly, RII would be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the IPO.

(e). Upon successful validation of block request by the RII, as above, the said information would be electronically received by the RIIs' bank, where the funds, equivalent to application amount, would get blocked in RIIs account. Intimation regarding confirmation of such block of funds in RIIs account would also be received by the RII.

(f). The information containing status of block request (e.g. – accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with stock exchange. The block request status would also be displayed on stock exchange platform for information of the intermediary.

(g). The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.

(h). RIIs would continue to have the option to modify or withdraw the Application till the closure of the Issue period. For each such modification of Application, RII will submit a revised Application and shall receive a mandate request from sponsor bank to be validated as per the process indicated above.

Post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

## NUMBER OF APPLICATIONS PER BANK ACCOUNT

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

## HOW TO APPLY?

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. 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.

## MODE OF PAYMENT

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by applicant and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount.

However, Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (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.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

In case of applications made by using any of channels under UPI Payments Mechanism, post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

The RTA, based on information of Applications and blocking received from stock exchange, would undertake reconciliation of the Applications data and block confirmation corresponding to the Applications by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.

Upon approval of basis of allotment, RTA will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

Upon confirmation of receipt of funds in the public issue account, shares would be credited to the RII's account. RII will be notified for full/partial/no allotment. For partial allotment the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the RII.

## UNBLOCKING OF ASBA ACCOUNT

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

In case of applications made by using any of channels under UPI Payments Mechanism, Registrar to the Issue will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

However, the Application Amount may be unblocked in the ASBA Account or Bank Account link in UPI Mechanism prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application or Application made through UPI Mechanism, as the case may be.

## MAXIMUM AND MINIMUM APPLICATION SIZE

The applications in this Issue, being a fixed price issue, will be categorized into two;

**a) For Retail Individual Applicants**

The Application must be for a minimum of 3000 Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed ₹ 2,00,000.

**b) For Other Applicants (Non Institutional Applicants and QIBs):**

The Application must be for a minimum of 6000 Equity Shares so as to ensure that the Application Amount exceeds ₹ 2,00,000 and in multiples of 3000 Equity Shares thereafter.

A person shall not make an application in the net Issue category for a number of specified securities that exceeds the total number of securities offered to the public. Further, the maximum application by non-institutional investors shall not exceed total number of specified securities offered in the issue less total number of specified securities offered in the issue to qualified institutional buyers.

Further, 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 Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non Institutional Portion.

**Applicants are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Prospectus.**

## OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM

**Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

## INFORMATION FOR THE APPLICANTS

a.) The Company will file the Draft Prospectus with the RoC at least 3 (three) working days before the Issue Opening Date.

b.) The Lead Manager will circulate copies of the Draft Prospectus along with the Application Form to potential investors.

c.) Any investor, being eligible to invest in the Equity Shares offered, who would like to obtain the Draft Prospectus and/ or the Application Form can obtain the same from the Company's Registered Office or from the Registered Office of the Lead Manager.

d.) Applicants who are interested in subscribing to the Equity Shares should approach the Lead Manager or their authorized agent(s) to register their Applications.

e.) Applications made in the name of Minors and/or their nominees shall not be accepted.

## PRE-ISSUE ADVERTISEMENT

As provided in Section 30 of the Companies Act, 2013 and 264(2) of the SEBI (ICDR) Regulations, 2018, the Company shall, after registering the Draft Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English national daily newspaper; one widely circulated Hindi national daily newspaper and one widely vernacular language where registered office of the company is situated.

## SIGNING OF UNDERWRITING AGREEMENT

The issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Lead Manager on March 15, 2021.

## FILING OF THE DRAFT PROSPECTUS WITH THE ROC

The Company will file a copy of the Draft Prospectus with the RoC in terms of Section 32 of Companies Act, 2013.

## INFORMATION FOR THE APPLICANTS

a.) **Designated Date and Allotment of Equity Shares Designated Date:** On the Designated date, the SCSBs or Sponsor Bank shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

b.) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload it on its website. On the basis of approved basis of allotment, the Issuer shall make necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.

c.) Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.

d.) Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 5 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within two working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

**Designated Date:** On the Designated date, the SCSBs or Sponsor Bank shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 5 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

## COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit to Equity Shares the beneficiary account with DPs, and dispatch the allotment Advise within 6 Working Days of the Issue Closing Date.

## INTEREST AND REFUNDS

## GROUNDS FOR REFUND

## NON RECEIPT OF LISTING PERMISSION

An Issuer makes an Application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Draft Prospectus. The designated Stock Exchange may be as disclosed in the Draft Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Draft Prospectus.

In case, our Company fails to obtain listing or trading permission from the stock exchanges where the specified securities were to be listed, our Company shall refund through verifiable means the entire monies received within Four Working days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities. The Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary Applicants.

If any such money is not repaid within four working days after the issuer becomes liable to repay it the issuer and every director of the company who is an officer in default shall, on and from the expiry of the eighth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent. per annum.

## MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue 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 thirty days from the date of issue of the Draft Prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (1) shall be returned within such time and manner as may be prescribed under that section. If the Issuer does not received the subscription of 100% of the

Issue through this Draft Prospectus including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 39 of the Companies Act, 2013.

## MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of proposed Allottees to whom Equity Shares may be allotted shall not be less than 50 (Fifty), failing which the entire application monies may be refunded forthwith.

## MODE OF REFUND

Within Four Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs or in case of Applications by RIIs applying through the UPI mechanism to the Sponsor Bank, to revoke the mandate and for unblocking the amount in ASBA Accounts of unsuccessful Applicants and also for any excess amount blocked on Applications.

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Applications or in the event of withdrawal or failure of the Issue.

## LETTERS OF ALLOTMENT OR REFUND ORDERS OR INSTRUCTIONS TO THE SCSBS

The Registrar to the Issue shall give instructions for credit to the beneficiary account with depository participants within Four Working Days from the Issue Closing Date. The Registrar shall instruct the Sponsor Bank or relevant SCSBs to, on the receipt of such instructions from the Registrar, revoke the mandate and for unblocking the amount in ASBA Accounts to the extent of the Application Amount specified in the Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within Four Working Days of the Issue Closing Date.

## INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND:

The issuer shall allot securities offered to the public shall be made within the period prescribed by the Board. The issuer shall also pay interest at the rate of fifteen per cent. per annum if the allotment letters or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within eight days from the date of the closure of the issue. However applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

1. **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Lead Manager or the Registrar to the Issue shall send to the Bankers to the Issue a list of their Applicants who have been allocated/Allotted Equity Shares in this Issue.

2. Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to the Issue will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

3. Approval of the Basis of Allotment by the Designated Stock Exchange. As described above shall be deemed a valid, binding and irrevocable contract for the Applicant.

## GENERAL INSTRUCTIONS

**Do's:**

- Check if you are eligible to apply as per the terms of the Draft Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- Read all the instructions carefully and complete the Application Form in the prescribed form;
- Ensure that the details about the PAN, DP ID and Client ID, UPI ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
- Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
- If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder.
- Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the signature of the First Applicants in case of joint Applications, is included in the Application Forms;
- QIBs, Non-Institutional Applicants and the Retail Applicants should submit their Applications through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their Application by using UPI mechanism for payment.

- Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicants whose name should also appear as the first holder of the beneficiary account held in joint names;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your Application;
- Ensure that you have funds equal to the Application Amount in the Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- 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;
- Ensure that the category and the investor status is indicated;
- Ensure that in case of Application under power of attorney or by limited companies, corporates, trust etc, relevant documents are submitted;
- Ensure that Application submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
- Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Draft Prospectus;
- Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Application Form;
- Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
- Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
- Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form;
- Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not make Application on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not make Application at Cut-off Price (for Applications by QIBs and Non-Institutional Applicants);
- Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- Do not make Application for Application Amount exceeding ₹2,00,000 (for Applications by Retail Individual Applicants);

- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Net 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 Prospectus;
- Do not submit the General Index Register number instead of the PAN;
- Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- Do not submit Application on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicants;
- Do not submit Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- Do not make Application 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);
- Do not submit Application by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

## INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected. SEBI, vide Circular No. CIR/CFD/14/2012 dated October 4, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker ("broker") network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker's Centre is available on the websites of NSE i.e. www.nseindia.com.

Applicants may note that forms not filled completely or correctly as per instructions provided in this Draft Prospectus, the General Information Document which shall be made available on the website of the Stock Exchange, the Issuer and the BRLM, are liable to be rejected. Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below;

## A. INSTRUCTION FOR FILLING THE APPLICATION FORM

**COMMON APPLICATION FORM**

**XYZ LIMITED - INITIAL PUBLIC ISSUE - R**

Registered Office:
Tel. No.: Fax No. : Email: Website:
Contact Person: CIN:

**FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, NON INSTITUTIONAL INVESTORS, RETAIL INDIVIDUAL INVESTORS AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS**

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

**FIXED PRICE SME ISSUE**
**ISIN : XXXXXXX**

Application Form No.

| SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/CDP/RTA STAMP & CODE |
|---|---|
| | |
| **SUB-BROKER'S / SUB-AGENT'S STAMP & CODE** | **SCSB BRANCH STAMP & CODE** |
| | |
| **BANK BRANCH SERIAL NO.** | **SCSB SERIAL NO.** |
| | |

**1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT**

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

**2. PAN OF SOLE/FIRST APPLICANT**

**3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS** ☐ NSDL ☐ CDSL

**For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.**

**4. APPLICATION DETAILS (Only Retail Individual Investor can apply at "Cut-Off")**

No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ [•]/- per share[1] ☐ "Cut-Off" Price

(In Figures) (In Words)

**ALLOTMENT WILL BE IN DEMAT MODE ONLY[2]**

[1] Please note that applications must be made in minimum of [•] shares and further multiples of [•] shares accordingly.
[2] Please note that the equity shares on allotment will be alloted only in the dematerialized mode on the SME Platform of BSE.

**5. CATEGORY**

☐ Retail Individual
☐ Non-Institutional
☐ QIB

**6. INVESTOR STATUS**

| | |
|---|---|
| ☐ Individual(s) | - IND |
| ☐ Non- Resident Indians (Non- Repatriation Basis) | - NRI |
| ☐ Hindu Undivided Family* | - HUF |
| ☐ Bodies Corporate | - CO |
| ☐ Banks & Financial Institutions | - FI |
| ☐ Mutual Funds | - MF |
| ☐ National Investment Funds | - NIF |
| ☐ Insurance Funds | - IF |
| ☐ Insurance Companies | - IC |
| ☐ Venture Capital Funds | - VCF |
| ☐ Alternative Investment Funds | - AIF |
| ☐ Others (Please Specify) | - OTH |

*HUF Should apply only through Karta (Application by HUF would be treated on par with individual)

**7. PAYMENT DETAILS** | **PAYMENT OPTION : Full Payment**

Amount Blocked (₹ in Figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

OR
UPI Id
(Maximum 45 characters)

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

| 8 A. SIGNATURE OF SOLE / FIRST APPLICANT | 8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) | SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System) |
|---|---|---|
| Date: ....., 2019 | I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue<br>1)<br>2)<br>3) | |

TEAR HERE

LOGO

**XYZ LIMITED INITIAL PUBLIC ISSUE - R**

**Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA**

Application Form No.

DPID / CLID | PAN of Sole/First Applicant

| Amount Blocked (₹ in figures) | ASBA Bank & Branch | Stamp & Signature of SCSB Branch |
|---|---|---|
| ASBA Bank A/c No./UPI Id | | |
| Received from Mr./Ms. | | |
| Telephone / Mobile | Email | |

TEAR HERE

**XYZ LIMITED - INITIAL PUBLIC ISSUE - R**

| | In Figures | In Words | Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA |
|---|---|---|---|
| No. of Equity Shares | | | |
| Amount Blocked (₹) | | | |

ASBA Bank A/c No. / UPI Id:
Bank & Branch:

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

**Name of Sole / First Applicant**

**Acknowledgement Slip for Applicant**

Application Form No.

www.dkenterprises.co.in

| COMMON APPLICATION FORM | XYZ LIMITED - INITIAL PUBLIC ISSUE - NR<br>Registered Office:<br>Tel. No.: Fax No. : Email: Website:<br>Contact Person: CIN: | FOR ELIGIBLE NRIs, FIIs/FPIs, FVCI, ETC., APPLYING ON A REPATRIATION BASIS |
|---|---|---|

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

**FIXED PRICE SME ISSUE**
**ISIN : XXXXXXX**

**Application Form No.**

| SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/CDP/RTA STAMP & CODE |
|---|---|
| | |
| **SUB-BROKER'S / SUB-AGENT'S STAMP & CODE** | **SCSB BRANCH STAMP & CODE** |
| | |
| **BANK BRANCH SERIAL NO.** | **SCSB SERIAL NO.** |
| | |

**1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT**

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

**2. PAN OF SOLE/FIRST APPLICANT**

**3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS** ☐ NSDL ☐ CDSL

**For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.**

**4. APPLICATION DETAILS (Only Retail Individual Investor can apply at "Cut-Off")**

No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ [•]/- per share[1] ☐ "Cut-Off" Price

(In Figures) (In Words)

**ALLOTMENT WILL BE IN DEMAT MODE ONLY** [2]

[1] Please note that applications must be made in minimum of [•] shares and further multiples of [•] shares accordingly.
[2] Please note that the equity shares on allotment will be alloted only in the dematerialized mode on the SME Platform of BSE.

**5. CATEGORY**

- ☐ Retail Individual
- ☐ Non-Institutional
- ☐ QIB

**6. INVESTOR STATUS**

- ☐ Non-Resident Indians - NRI (Repatriation basis)
- ☐ Foreign Institutional Investor - FII/
- ☐ Foreign Portfolio Investor - FPI
- ☐ Foreign Venture Capital Investor - FVCI
- ☐ FII Sub Account Corporate / Individual - FIISA
- ☐ Others - OTH (please specify)

**7. PAYMENT DETAILS** | **PAYMENT OPTION : Full Payment**

Amount Blocked (₹ in Figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

**OR**
UPI Id
(Maximum 45 characters)

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

| 8 A. SIGNATURE OF SOLE / FIRST APPLICANT | 8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) | SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System) |
|---|---|---|
| Date: ....., 2019 | I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue<br>1)<br>2)<br>3) | |

TEAR HERE

LOGO

**XYZ LIMITED**
**INITIAL PUBLIC ISSUE - NR**

**Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA**

**Application Form No.**

DPID / CLID

PAN of Sole/First Applicant

| Amount Blocked (₹ in figures) | ASBA Bank & Branch | Stamp & Signature of SCSB Branch |
|---|---|---|
| ASBA Bank A/c No./UPI Id | | |
| Received from Mr./Ms. | | |
| Telephone / Mobile | Email | |

TEAR HERE

**XYZ LIMITED - INITIAL PUBLIC ISSUE - NR**

| | In Figures | In Words |
|---|---|---|
| No. of Equity Shares | | |
| Amount Blocked (₹) | | |

**Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA**

ASBA Bank A/c No. / UPI Id:

Bank & Branch:

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

**Name of Sole / First Applicant**

**Acknowledgement Slip for Applicant**

**Application Form No.**

**FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT:**

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

a.) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (letters notifying the unblocking of the bank accounts of Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

b.) **Joint Applicants:** In the case of Joint Applicants, the Application should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

**1. FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT:**

a.) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.

b.) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Application on behalf of the Central or State Government, Application by officials appointed by the courts and Application by Applicant residing in Sikkim ("PAN Exempted Applicant"). Consequently, all Applicants, other than the PAN Exempted Applicant, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Application by the Applicant whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

c.) The exemption for the PAN Exempted Applicant is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

d.) Application Forms which provide the General Index Register Number instead of PAN may be rejected.

e.) Applications by Applicant whose demat accounts have been "suspended for credit" are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

**2. FIELD NUMBER 3: APPLICANT'S DEPOSITORY ACCOUNT DETAILS**

a.) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Application Form is liable to be rejected.

b.) Applicants should ensure that the beneficiary account provided in the Application Form is active.

c.) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Issue.

d.) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk.

**3. FIELD NUMBER 4: APPLICATION OPTIONS**

a.) Since, this is the Fixed Price Issue and the Price has already been disclosed in the Draft Prospectus, the Applicants should make application at the Issue Price only. For the purpose of this Issue, the Price has been Determined as ₹50/- per equity shares (including premium of ₹40/- per equity share).

b.) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can make application at the Cut-off Price indicating their agreement to apply for and purchase the Equity Shares at the Issue Price as determined in terms of Draft Prospectus. Making Application at the Cut-off Price is prohibited for QIBs and NIIs and such Applications from QIBs and NIIs may be rejected.

c.) **Minimum Application Value and Application Lot:** For Application made by Retail Individual Investors, minimum application of 3000 Equity Shares to ensure that the minimum Application value is not exceeding ₹2,00,000 and not less than ₹1,00,000. For Application made by QIBs and Non – Institutional Investors, minimum application of 6000 Equity Shares and in multiples of 3000 Equity Shares thereafter to ensure that the minimum Application value is exceeding ₹2,00,000.

d.) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum application Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. Also, in case if the RII category is entitled to more than the allocated equity shares on proportionate basis, the RII category shall be allotted that higher percentage.

**Maximum and Minimum Application Size**

e.) The Applicants may apply for the desired number of Equity Shares in multiple of 3000 equity shares at Issue Price. Applications by Retail Individual Investors and Retail Individual Shareholders must be for 3000 equity shares, so as to ensure that the Application Amount, payable by the Applicants does not exceed ₹2,00,000.

In case the Application Amount exceeds ₹2,00,000 due to revision of the Application or any other reason, the Application may be considered for allocation under the Non-Institutional Category or if it is at the Cut-off Price, then such Application may be rejected.

For NRIs, Application Amount of up to ₹2,00,000 may be considered under the Retail Category for the purposes of allocation and Application Amount exceeding ₹2,00,000 may be considered under the Non-Institutional Category for the purposes of allocation.

f.) Application by QIBs and NIIs must be for 6000 equity shares such that the Application Amount exceeds ₹2,00,000 and in multiples of 3000 Equity Shares thereafter, as may be disclosed in the Application Form and the Draft Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to make application at Cut off Price.

g.) RII may revise or withdraw their application until Issue Closing Date. QIBs and NII's cannot withdraw or lower their Application (in terms of quantity of Equity Shares or the Application Amount) at any stage after making application and are required to pay the Application Amount upon submission of the Application.

h.) In case the Application Amount reduces to ₹2,00,000 or less due to a revision of the Price, Application by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

i.) An Application cannot be submitted for more than the net issue size.

j.) The maximum application by any applicant including QIB applicant should not exceed the investment limits prescribed for them under the applicable laws.

**Multiple Applications**

k.) Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Application Forms bearing the same application number shall be treated as multiple Applications and are liable to be rejected.

l.) Applicants are requested to note the following procedures that may be followed by the Registrar to the Issue to detect multiple Applications:

i. All Applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN may be treated as multiple Application by Applicants and may be rejected.

ii. For Application from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Application on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. Such Applications which have the same DP ID and Client ID may be treated as multiple applications and are liable to be rejected.

m.) **The following Applications may not be treated as multiple Applications:**

i. Applications by Reserved Categories making application in their respective Reservation Portion as well as application made by them in the Issue portion in public category.

ii. Separate Applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.

iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

**4. FIELD NUMBER 5: CATEGORY OF APPLICANTS**

a.) The categories of Applicants are identified as per the SEBI (ICDR) Regulations, 2018 for the purpose of Applications, allocation and allotment in the Issue are RIIs, NIIs and QIBs.

b.) An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI (ICDR) Regulations, 2018. For details of any reservations made in the Issue, Applicants may refer to the Draft Prospectus.

c.) The SEBI (ICDR) Regulations, 2018, specify the allocation or allotment that may be made to various categories of Application in an issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form.

d.) For Issue specific details in relation to allocation, Applicants may refer to the Draft Prospectus.

**5. FIELD NUMBER 6: INVESTOR STATUS**

a.) Each Applicants should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue follows the investment restrictions under applicable law.

b.) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Draft Prospectus for more details.

c.) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.

d.) Applicants should ensure that their investor status is updated in the Depository records.

**6. FIELD NUMBER 7: PAYMENT DETAILS**

a.) Applicants are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Applicants doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Applicants providing both the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application.

b.) The full Application Amount shall be blocked based on the authorization provided in the Application Form.

c.) RIIs who make application at Cut-off price shall be blocked on the Cap Price.

d.) All Applicants (other than Anchor Investors) can participate in the Issue only through the ASBA mechanism.

e.) RIIs submitting their applications through Designated Intermediaries can participate in the Issue through the UPI mechanism, through their UPI ID linked with their bank account.

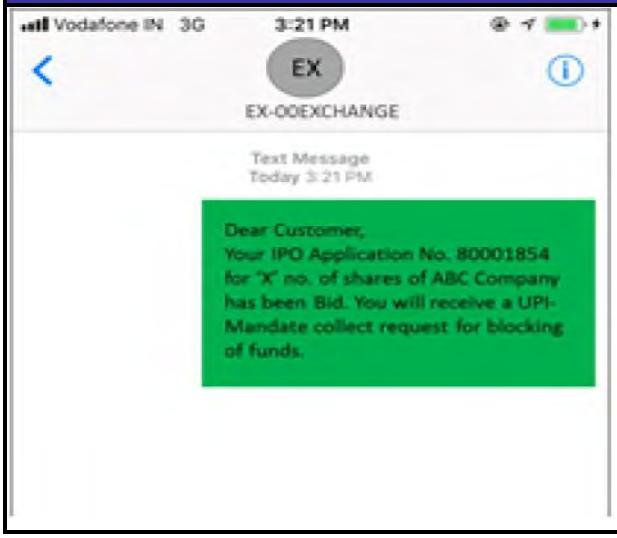
f.) Application Amount cannot be paid in cash, cheque, and demand draft, through money order or through postal order.

**Payment instructions for Applicants (other than Anchor Investors)**

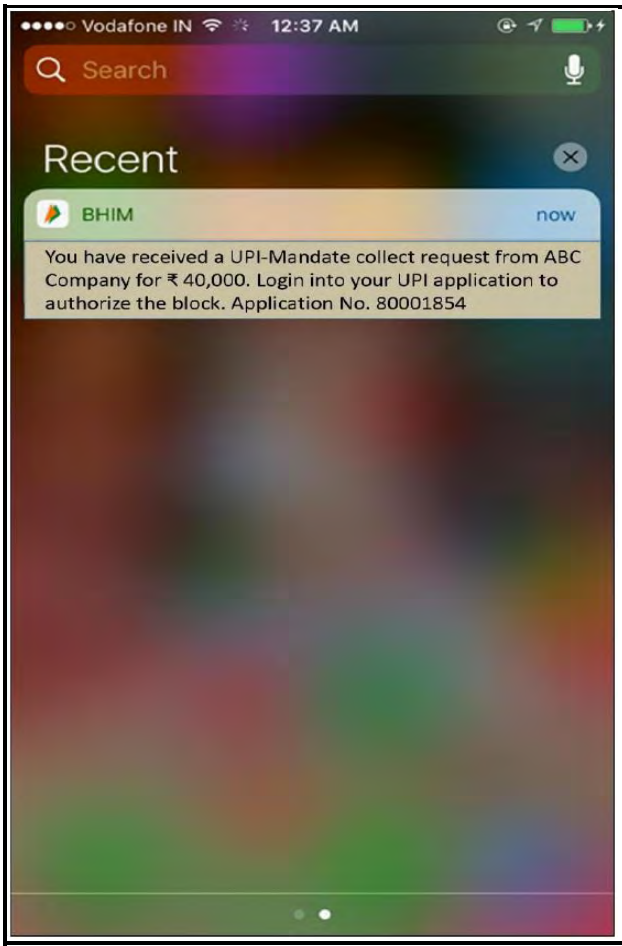
a.) From July 1, 2019 in Phase II, RIIs shall use only Channel I, Channel II and Channel IV (as described below) for making applications in a public issue:

| Category of Investor | Channel I | Channel II | Channel III | Channel IV |
|---|---|---|---|---|
| Retail Individual Investor (RII) | Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.<br><br>For such applications the existing process of uploading the Application and blocking of finds in the RIIs account by the SCSB would continue. | Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers. | Not Applicable | RIIs may submit the Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds. |
| Non- Institutional Investor (NII) | | | Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds.<br><br>For such applications the Designated Intermediary will upload the Application in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds. | Not Applicable |

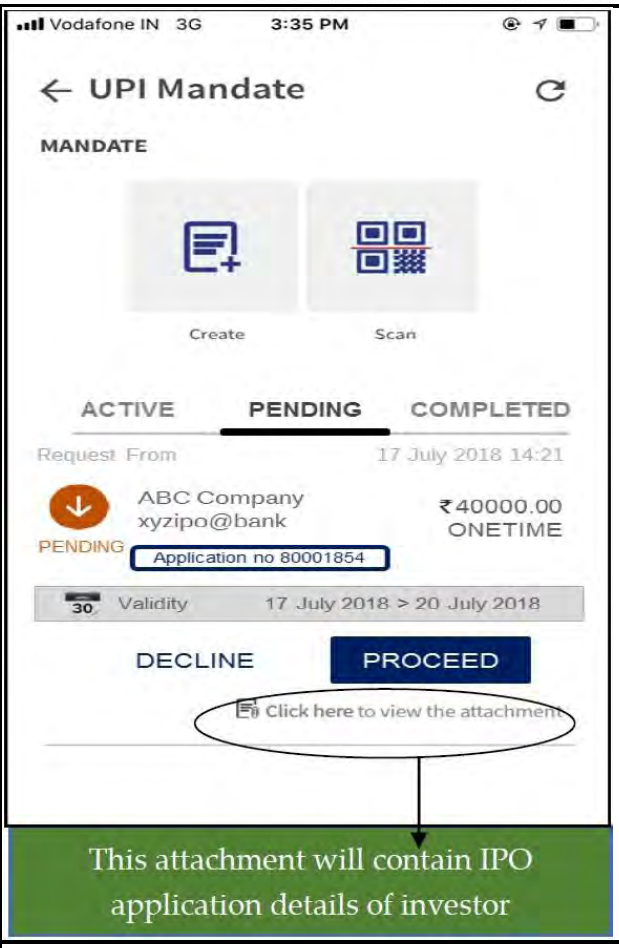
Please see below a graphical illustrative process of the investor receiving and approving the UPI mandate request:

| ILLUSTRATIVE SMS | BLOCK REQUEST SMS TO INVESTOR |
|---|---|
|  |  |

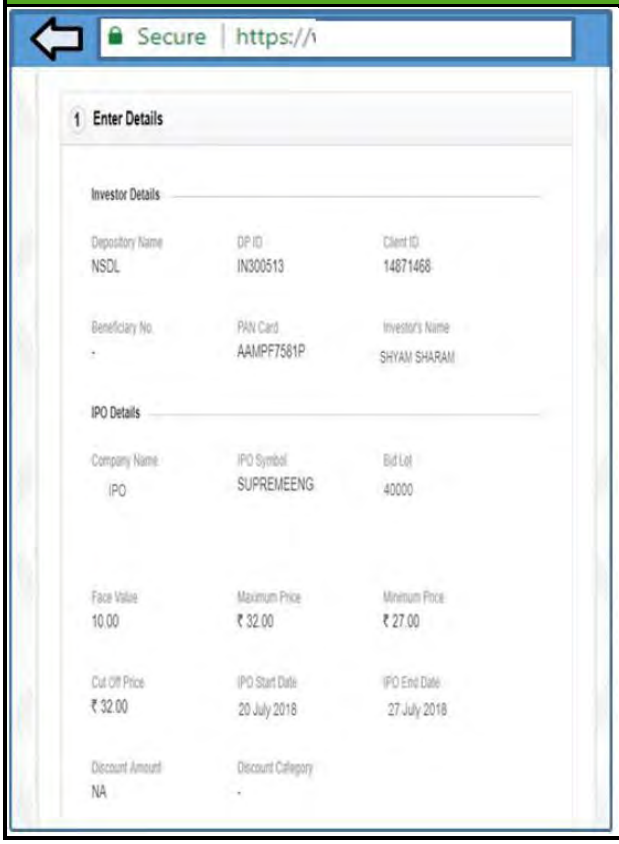
| BLOCK REQUEST INTIMATION THROUGH UPI APPLICATION | BLOCK REQUEST SMS TO INVESTOR |
|---|---|



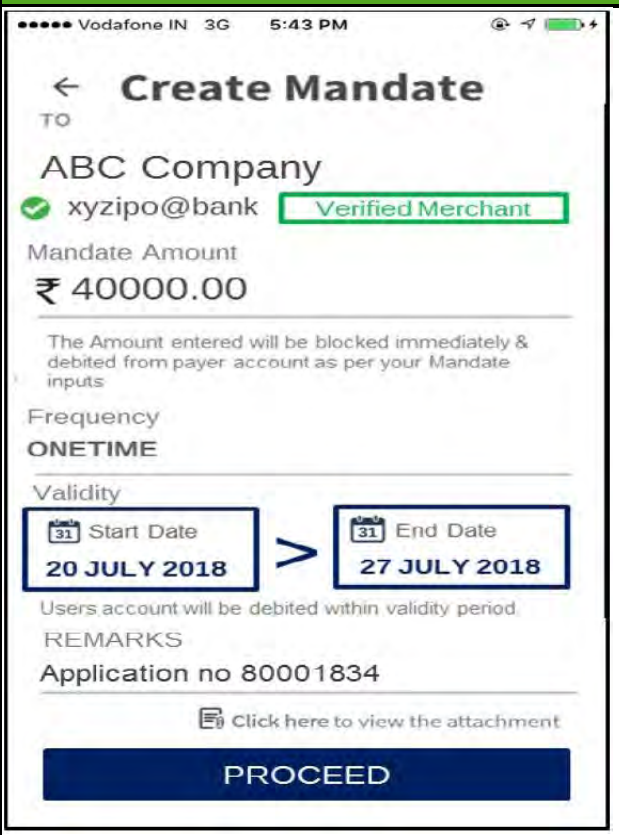

**SAMPLE OF IPO DETAILS IN ATTACHMENT**



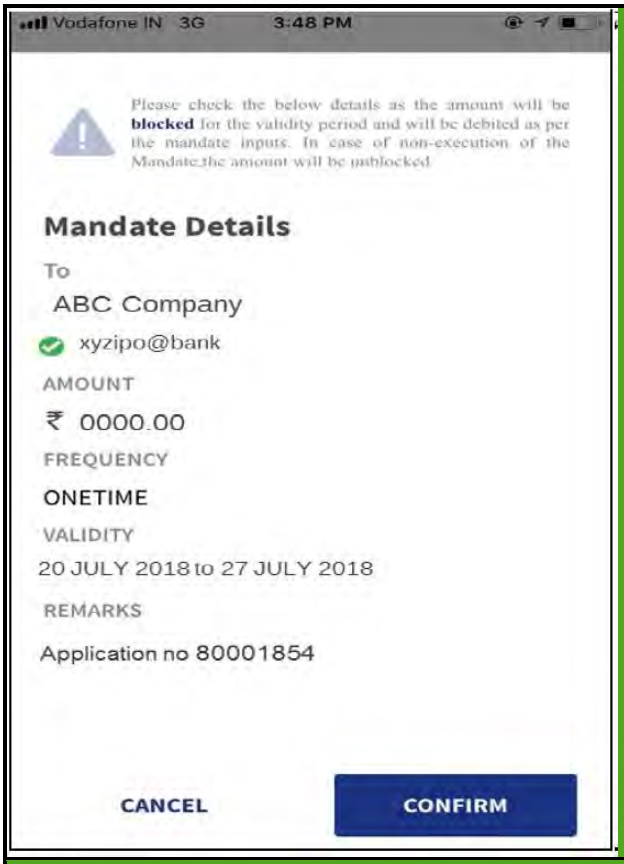

**POST VERIFICATION OF DETAILS ABOVE**




**PRE-CONFIRMATION PAGE**




**ENTERING OF UPI PIN**



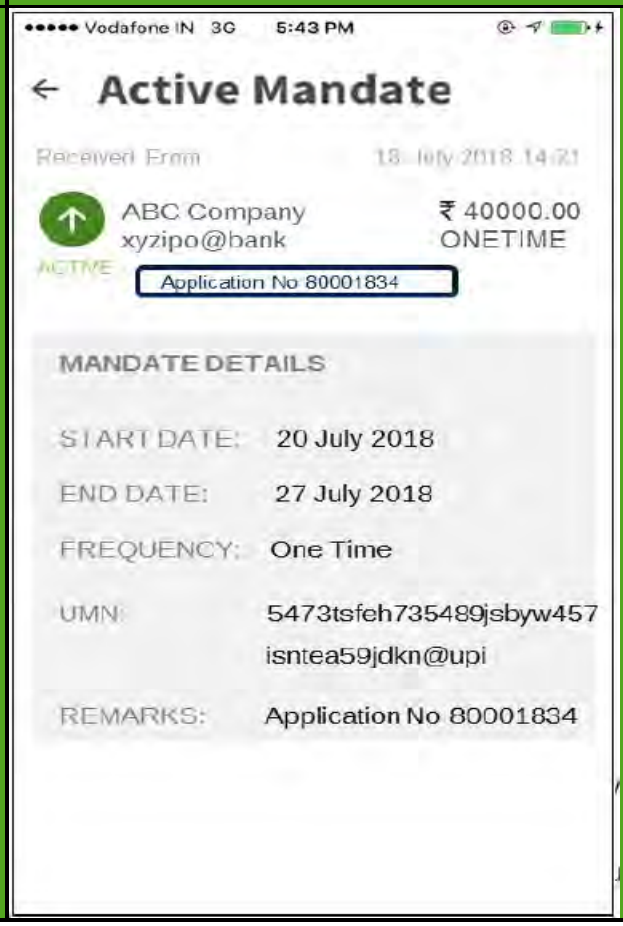

CONFIRMATION PAGE



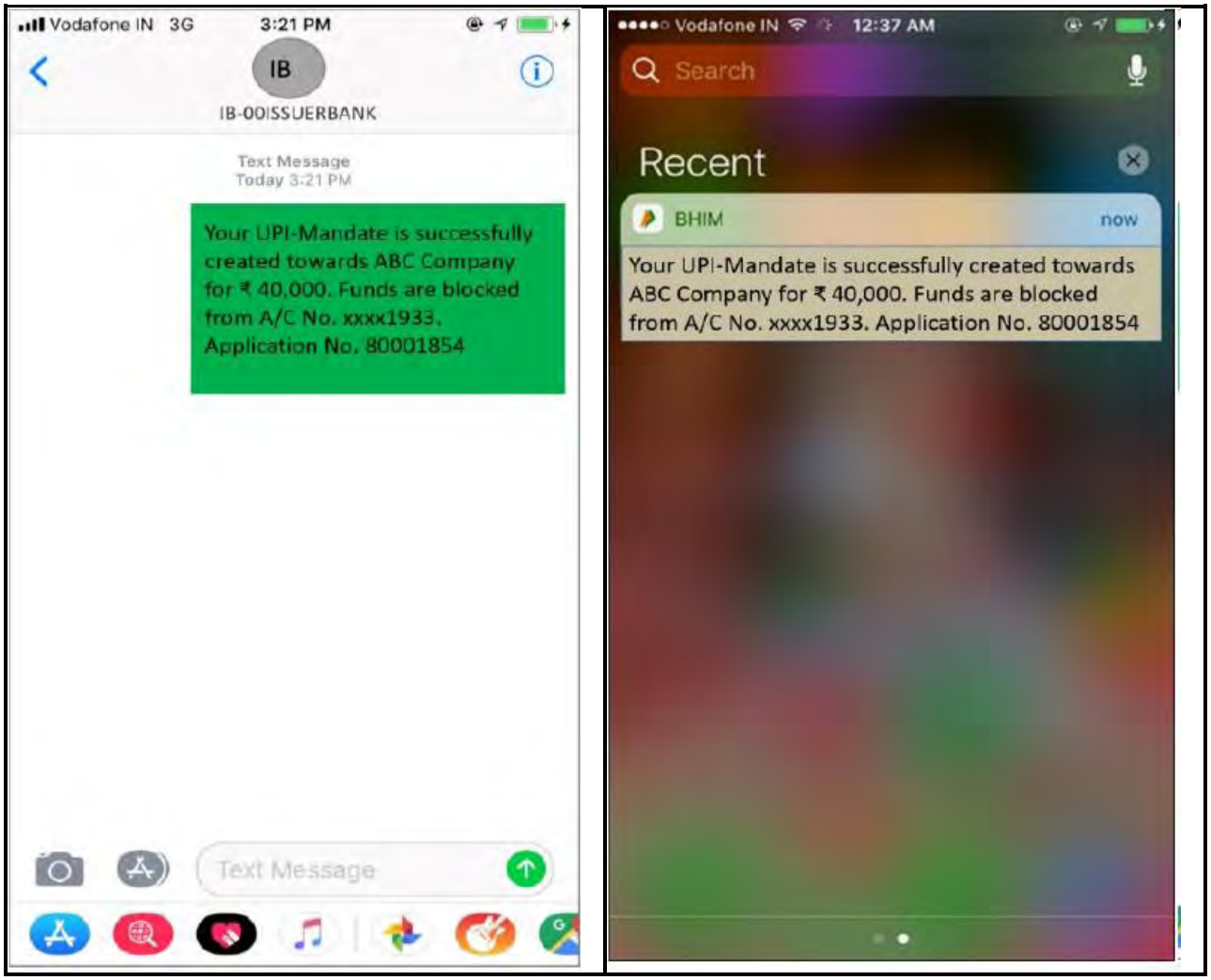

APPROVED MANDATES VISIBLE IN UPI APPLICATION




BLOCK CONFIRMATION SMS TO INVESTOR




BLOCK CONFIRMATION APPLICATION INTIMATION




b.) QIB and NII Applicants may submit the Application Form either;

i. to SCSB in physical or electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Application Form, or

ii. in physical mode to any Designated Intermediary.

c.) Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by Applicants and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted.

d.) Applicants should note that application made using third party UPI ID or ASBA Bank account are liable to be rejected.

e.) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the ASBA Account.

f.) Applicants should submit the Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centers, the RTA at the Designated CRTA Locations or CDP at the Designated CDP Locations.

g.) **Applicants making application through Designated Intermediaries** other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.

h.) **Applicants making application directly through the SCSBs** should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

i.) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.

j.) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and for application directly submitted to SCSB by investor, may enter each application details into the electronic bidding system as a separate application.

k.) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Application on the Stock Exchange platform and such Applications are liable to be rejected.

l.) Upon submission of a completed Application Form each Applicants (not being a RII who has opted for the UPI payment mechanism and provided a UPI ID with the Application Form) may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs. For details regarding blocking of Application Amount for RIIs who have provided a UPI ID with the Application Form, please refer to graphical illustrative process of the investor receiving and approving the UPI mandate request provided in clause (a).

m.) The Application Amount may remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.

n.) SCSBs making application in the Issue must apply through an Account maintained with any other SCSB; else their Applications are liable to be rejected.

**7. FIELD NUMBER 8: UNBLOCKING OF ASBA ACCOUNT**

a.) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB or the Sponsor Bank, as the case may be, along with instructions to unblock the relevant ASBA Accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant ASBA Account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, (iv) the amount to be unblocked, if any in case of partial allotments and (v) details of rejected ASBA Application, if any, along with reasons for rejection and details of withdrawn or unsuccessful Application, if any, to enable the SCSBs or the Sponsor Bank, as the case may be, to unblock the respective ASBA Accounts.

b.) On the basis of instructions from the Registrar to the Issue, the SCSBs or the Sponsor Bank, as the case may be, may transfer the requisite amount against each successful Applicants to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

c.) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB or to the Sponsor Bank to revoke the mandate and, as the case may be, to unblock the Application Amount in the Relevant Account within four Working Days of the Issue Closing Date.

**Additional Payment Instructions for RIIs applying through Designated Intermediaries using the UPI mechanism**

d.) Before submission of the application form with the Designated Intermediary, an RII shall download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available.

e.) RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40

f.) RIIs shall mention his / her UPI ID along with the application details in the Application Form in capital letters and submit the Application Form to any of the Designated Intermediaries.

g.) The Designated Intermediary upon receipt of the Application Form will upload the application details along with UPI ID in the stock exchange bidding platform.

h.) Once the application has been entered into the Stock Exchange bidding platform, the stock exchange will validate the PAN and Demat Account details of the RII with the Depository. The Depository will validate the aforesaid details

on a real time basis and send a response to the stock exchange which will be shared by the stock exchange with the Designated Intermediary through its bidding platform, for corrections, if any.

i.) Once the application details have been validated by the Depository, the stock exchange will, on a continuous basis, electronically share the application details along with the UPI ID of the concerned RII with the Sponsor Bank appointed by the Issuer.

j.) The Sponsor Bank will validate the UPI ID of the RII before initiating the Mandate request.

k.) The Sponsor Bank after validating the UPI ID will initiate a UPI Mandate Request for valid UPI ID on the RII which will be electronically received by the RII as an SMS / intimation on his / her mobile number / mobile app associated with the UPI ID linked account. The RII shall ensure that the details of the application are correct by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RII may be deemed to have verified the attachment containing the application details of the RII in the UPI Mandate Request and have agreed to block the entire application Amount and authorized the Sponsor Bank to block the application Amount mentioned in the Application Form and subsequent debit in case of allotment.

l.) Upon successful validation of the block request by the RII, the said information would be electronically received by the RII's bank, where the funds, equivalent to the application amount would get blocked in the ASBA Account of the RII. Intimation regarding confirmation of such blocking of funds in the ASBA Account of the RII would also be received by the RII. Information on the block status request would be shared with the Sponsor Bank which in turn would share it with the stock exchange which in turn would share it with the Registrar in the form of a file for the purpose of reconciliation and display it on the stock exchange bidding platform for the information of the Designated Intermediary.

m.) RIIs may continue to modify or withdraw the application till the closure of the Issue Period. For each modification of the application, the RII will submit a revised application and will receive a new UPI Mandate Request from the Sponsor Bank to be validated as per the process indicated above.

n.) RIIs to check the correctness of the details on the mandate received before approving the Mandate Request.

o.) Post closure of the Issue, the stock exchange will share the application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

**Discount: NOT APPLICABLE**

**Additional Payment Instruction for NRIs**

The Non-Resident Indians who intend to block funds through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

**8. FIELD NUMBER 9: SIGNATURES AND OTHER AUTHORISATIONS**

a.) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

b.) In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.

c.) Applicants must note that Application Form without signature of Applicants and /or ASBA Account holder is liable to be rejected.

**9. FIELD NUMBER 10: ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

a.) Applicant should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediary or SCSB, as applicable, for submission of the Application Form.

b.) All communications in connection with Application made in the Issue should be addressed as under:

i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Applicant should contact the Registrar to the Issue.

ii. In case of ASBA Application submitted to the Designated Branches of the SCSBs, the Applicant should contact the relevant Designated Branch of the SCSB.

iii. Applicants may contact the Company Secretary and Compliance Officer or Lead Manager in case of any other complaints in relation to the Issue.

iv. In case of queries relating to uploading of Application by a Syndicate Member, the Applicant should contact the relevant Syndicate Member.

v. In case of queries relating to uploading of Application by a Registered Broker, the Applicant should contact the relevant Registered Broker

vi. In case of Application submitted to the RTA, the Applicant should contact the relevant RTA.

vii. In case of Application submitted to the DP, the Applicant should contact the relevant DP.

viii. In case of queries relating to uploading of Application through the UPI Mechanism, the Applicant should contact the Sponsor Bank;

c.) The following details (as applicable) should be quoted while making any queries –

i. Full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Application.

ii. name and address of the Designated Intermediary, where the Application was submitted; or

iii. Applications, ASBA Account number or the UPI ID (for RIIs who make the payment of Application Amount through the UPI mechanism) linked to the ASBA Account where the Application Amount was blocked in which the amount equivalent to the Application Amount was blocked.

iv. For further details, Applicants may refer to the Draft Prospectus and the Application Form.

**B. INSTRUCTIONS FOR FILLING THE REVISION FORM**

a.) During the Issue Period, any Applicants (other than QIBs and NIIs, who can only revise their Application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.

b.) RII may revise / withdraw their Application till closure of the Issue period.

c.) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.

d.) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had made the original Application. It is clarified that RIIs whose original Application is made using the UPI mechanism, can make revision(s) to their Application using the UPI mechanism only, whereby each time the Sponsor Bank will initiate a new UPI Mandate Request. Applicants are advised to retain copies of the blank Revision Form and the Application(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:

www.dkenterprises.co.in

**COMMON APPLICATION REVISION FORM**

# XYZ LIMITED - INITIAL PUBLIC ISSUE - R

Registered Office:
Tel. No.: Fax No. : Email: Website:
Contact Person: CIN:

**FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, NON INSTITUTIONAL INVESTORS, RETAIL INDIVIDUAL INVESTORS AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS**

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

**FIXED PRICE SME ISSUE**
**ISIN : XXXXXXX**

**Application Form No.**

| SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/CDP/RTA STAMP & CODE |
|---|---|
| | |
| **SUB-BROKER'S / SUB-AGENT'S STAMP & CODE** | **SCSB BRANCH STAMP & CODE** |
| | |
| **BANK BRANCH SERIAL NO.** | **SCSB SERIAL NO.** |
| | |

**1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT**

Mr. / Ms.

Address

Tel. No (with STD code) / Mobile

**2. PAN OF SOLE/FIRST APPLICANT**

**3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS** NSDL CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY APPLICATION ☐ PHYSICAL

**4. FROM (as per last Application or Revision)**

| Options | No. of Equity Shares Application (Application must be in multiples of [•] Equity Share) (In Figures) | Price per Equity Share (₹) [•] (In Figures) Issue Price | Discount, if any | Net Price | "Cut-off" (Please ✓ tick) |
|---|---|---|---|---|---|
| Option 1 | ORIGINAL APPLICATION | ORIGINAL APPLICATION | | | |
| (OR) Option 2 | | | | | |
| (OR) Option 3 | | | | | |

**5. TO (Revised Application) (Only Retail Individual Investor can apply at "Cut-Off")**

| Options | No. of Equity Shares Application (Application must be in multiples of [•] Equity Share) (In Figures) | Price per Equity Share (₹) [•] (In Figures) Issue Price | Discount, if any | Net Price | "Cut-off" (Please ✓ tick) |
|---|---|---|---|---|---|
| Option 1 | REVISED APPLICATION | REVISED APPLICATION | | | |
| (OR) Option 2 | | | | | |
| (OR) Option 3 | | | | | |

**6. PAYMENT DETAILS** | **PAYMENT OPTION : Full Payment**

Additional Amount Blocked (₹ in Figures) (₹ in words) _____

ASBA Bank A/c No.

Bank Name & Branch _____

**OR**

UPI Id

(Maximum 45 characters)

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE REVISION FORM GIVEN OVERLEAF.

| 7A. SIGNATURE OF SOLE / FIRST APPLICANT | 7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) | SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System) |
|---|---|---|
| Date: ....., 2019 | I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue<br>1)<br>2)<br>3) | |

TEAR HERE

LOGO

**XYZ LIMITED**
**REVISION FORM - INITIAL PUBLIC ISSUE - R**

**Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA**

**Application Form No.**

DPID / CLID PAN

| Additional Amount Blocked (₹ in figures) | ASBA Bank & Branch | Stamp & Signature of SCSB Branch |
|---|---|---|
| ASBA Bank A/c No./UPI Id | | |
| Received from Mr./Ms. | | |
| Telephone / Mobile | Email | |

TEAR HERE

**XYZ LIMITED REVISION FORM - INITIAL PUBLIC ISSUE - R**

| | Option 1 | Option 2 | Option 3 |
|---|---|---|---|
| No. of Equity Shares | | | |
| Issue Price | | | |
| Additional Amount Blocked (₹) | | | |

**Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA**

**Name of Sole / First Applicant**

**Acknowledgment Slip for Applicant**

ASBA Bank A/c No. / UPI Id: _____

Bank & Branch: _____

**Application Form No.**

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

www.dkenterprises.co.in

| COMMON APPLICATION REVISION FORM | **XYZ LIMITED - INITIAL PUBLIC ISSUE - NR**<br>Registered Office:<br>Tel. No.: Fax No. : Email: Website:<br>Contact Person: CIN: | FOR ELIGIBLE NRIs, FIIs/FPIs, FVCI, ETC., APPLYING ON A REPATRIATION BASIS |
|---|---|---|

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

**FIXED PRICE SME ISSUE**
**ISIN : XXXXXXX**

Application Form No.

| SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/CDP/RTA STAMP & CODE |
|---|---|
| | |
| **SUB-BROKER'S / SUB-AGENT'S STAMP & CODE** | **SCSB BRANCH STAMP & CODE** |
| | |
| **BANK BRANCH SERIAL NO.** | **SCSB SERIAL NO.** |
| | |

**1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT**

Mr. / Ms.

Address

Tel. No (with STD code) / Mobile

**2. PAN OF SOLE/FIRST APPLICANT**

**3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS** NSDL CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY APPLICATION ☐ PHYSICAL

**4. FROM (as per last Application or Revision)**

| Options | No. of Equity Shares Application (Application must be in multiples of [•] Equity Share) (In Figures) | Price per Equity Share (₹) [•] (In Figures) Issue Price | Discount, if any | Net Price | "Cut-off" (Please ✓ tick) |
|---|---|---|---|---|---|
| Option 1 | ORIGINAL APPLICATION | ORIGINAL APPLICATION | | | |
| (OR) Option 2 | | | | | |
| (OR) Option 3 | | | | | |

**5. TO (Revised Application) (Only Retail Individual Investor can apply at "Cut-Off")**

| Options | No. of Equity Shares Application (Application must be in multiples of [•] Equity Share) (In Figures) | Price per Equity Share (₹) [•] (In Figures) Issue Price | Discount, if any | Net Price | "Cut-off" (Please ✓ tick) |
|---|---|---|---|---|---|
| Option 1 | REVISED APPLICATION | REVISED APPLICATION | | | |
| (OR) Option 2 | | | | | |
| (OR) Option 3 | | | | | |

**6. PAYMENT DETAILS** | **PAYMENT OPTION : Full Payment**

Additional Amount Blocked (₹ in Figures) (₹ in words) _____

ASBA Bank A/c No.

Bank Name & Branch _____

**OR**
UPI Id
(Maximum 45 characters)

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE REVISION FORM GIVEN OVERLEAF.

| 7A. SIGNATURE OF SOLE / FIRST APPLICANT | 7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) | SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System) |
|---|---|---|
| Date: ....., 2019 | I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue<br>1)<br>2)<br>3) | |

TEAR HERE

LOGO

**XYZ LIMITED**
**REVISION FORM - INITIAL PUBLIC ISSUE - NR**

**Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA**

Application Form No.

DPID / CLID PAN

| Additional Amount Blocked (₹ in figures) | ASBA Bank & Branch | Stamp & Signature of SCSB Branch |
|---|---|---|
| ASBA Bank A/c No./UPI Id | | |
| Received from Mr./Ms. | | |
| Telephone / Mobile | Email | |

TEAR HERE

**XYZ LIMITED REVISION FORM - INITIAL PUBLIC ISSUE - NR**

| | Option 1 | Option 2 | Option 3 |
|---|---|---|---|
| No. of Equity Shares | | | |
| Issue Price | | | |
| Additional Amount Blocked (₹) | | | |

**Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA**

**Name of Sole / First Applicant**

**Acknowledgment Slip for Applicant**

ASBA Bank A/c No. / UPI Id: _____

Bank & Branch: _____

Application Form No.

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

**FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT**

Applicants should refer to instructions contained in paragraphs 1, 2 and 3 above under the heading "Instructions for Filling the Application Form".

**10. FIELDS 4 AND 5: APPLICATION OPTIONS REVISION 'FROM' AND 'TO'**

a.) Apart from mentioning the revised number of shares in the Revision Form, the Applicants must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form. For example, if Applicant has applied for 3000 equity shares in the Application Form and such applicant is changing number of shares applied for in the Revision Form, the applicant must fill the details of 3000 equity shares, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Form.

b.) In case of revision, applicants' options should be provided by applicants in the same order as provided in the Application Form.

c.) In case of revision of Applicants by Retail Individual Investors and Retail Individual Shareholders, such Applicants should ensure that the Application Amount, subsequent to revision, does not exceed ₹200,000. In case the Application Amount exceeds ₹200,000 due to revision of the Application or for any other reason, the Application may be considered, subject to eligibility, for allocation under the Non-Institutional Category or if it is at the Cut-off Price, then such Application may be rejected. The Cut-off Price option is given only to the Retail Individual Investors and Retail Individual Shareholders indicating their agreement to apply for and purchase the Equity Shares at the Issue Price.

d.) In case the total amount i.e., original Application Amount plus additional payment) exceeds ₹200,000, the Application will be considered for allocation under the Non-Institutional Category in terms of the Draft Prospectus. If, however, the RII does not either revise the Application or make additional payment and the Issue Price is higher than the price disclosed in the Draft Prospectus, the number of Equity Shares applied for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised application at Cut-off Price.

e.) In case of a downward revision in the Price, RIIs who have applied at the Cut-off Price could either revise their application or the excess amount paid at the time of application may be unblocked in case of applicants.

**11. PAYMENT DETAILS**

a.) All Applicants are required to make payment of the full Application Amount along with the Application Revision Form.

b.) Applicant may Issue instructions to block the revised amount based on the revised Price in the ASBA Account of the UPI Linked Bank Account, to the same Designated Intermediary through whom such applicant had placed the original application to enable the relevant SCSB to block the additional Application Amount, if any.

c.) In case the total amount (i.e., original Application Amount plus additional payment) exceeds ₹200,000, the Application may be considered for allocation under the Non-Institutional Category in terms of the Draft Prospectus. If, however, the Applicant does not either revise the application or make additional payment and the Price is higher than Issue price disclosed in the Draft Prospectus prior to the revision, the number of Equity Shares applied for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the applicant is deemed to have approved such revised application at the Cut-off Price.

d.) In case of a downward revision in the Price, RIIs and Retail Individual Shareholders, who have applied at the Cut-off Price, could either revise their application or the excess amount paid at the time of application may be unblocked.

**12. FIELD NUMBER 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Applicants may refer to instructions contained at paragraphs 9 above under the heading "Instructions for Filling the Application Form" for this purpose.

**APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS**

***Please note that, providing bank account details or UPI ID in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.***

***Please note that, furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.***

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code, occupation (hereinafter referred to as 'Demographic Details') or UPI ID (in case of Retail Individual Investors). These Bank Account or UPI ID details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

## PAYMENT BY STOCK INVEST

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

## OTHER INSTRUCTIONS

## JOINT APPLICATIONS IN THE CASE OF INDIVIDUALS

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

## MULTIPLE APPLICATIONS

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

I. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications

II. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.

III. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 (Twenty) valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application or Application through UPI Mechanism either in physical or electronic mode, an Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected.

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.

2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

## PERMANENT ACCOUNT NUMBER OR PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("PAN") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the Income Tax Act, 1961. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the General Index Registration ("GIR") number instead of the PAN, as the Application is liable to be rejected on this ground.

**Our Company/ Registrar to the Issue/ Lead Manager can, however, accept the Application(s) in which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.**

## RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

## GROUNDS FOR REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 3000;
- Category not ticked;
- Multiple Applications as defined in the Draft Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Draft Prospectus and as per the instructions in the Draft Prospectus and

the Application Forms;

- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹2,00,000, received after 3.00 pm on the Issue Closing Date;
- Applications not containing the details of Bank Account, UPI ID and/or Depositories Account;
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchanges;
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form;
- ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Application Form;
- Submission of Application Form(s) using third party ASBA Bank Account;
- Submission of more than one Application Form per UPI ID by RIIs applying through Designated Intermediaries;
- In case of Applications by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Application Form is linked to a third party bank account;
- The UPI Mandate is not approved by Retail Individual Investor; and
- The original Application is made using the UPI mechanism and revision(s) to the Application is made using ASBA either physically or online through the SCSB, and *vice versa*.

## EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

a. a tripartite agreement dated January 29, 2021 with NSDL, our Company and Registrar to the Issue;
b. a tripartite agreement dated March 05, 2021 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN: INE0GN101014.

a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
b) The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Application Form or Revision Form.
c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
d) Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
e) If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
f) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.
g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange platform where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
h) The trading of the Equity Shares of our Company would be only in dematerialized form.

## COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

**Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc. at below mentioned addresses;**

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| **To**<br>**Ms Amanpreet Kaur**<br>**The Compliance Officer**<br>**D.K. Enterprises Global Limited**<br>Plot No-235 Industrial Area Phase-2 Panchkula Haryana 134109 India.<br>**Telephone No:** +91 172 259 1548<br>**E-Mail:** cs@dkenterprises.co.in<br>**Website:** www.dkenterprises.co.in | **To the Registrar to the Issue**<br>Ms. Sarita Singh<br>**Skyline Financial Services Private Limited**<br>**Address:** D-153/A, 1st Floor. Okhla Industrial Area Phase-I, New Delhi-110020, India **Tel. Number:** +011 40450193-97; **Fax Number:** +011 26812682<br>**Email Id:** compliance@skylinerta.com **&** virenr@skylinerta.com<br>**Investors Grievance Id:** info@skylinerta.com<br>**Website:** www.skylinerta.com |

## DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company shall make best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE") where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the issue.

## IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

a) **'Any person who: makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or**

b) **makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**

c) **Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.**

***Section 447 of the Companies Act, 2013, is reproduced as below:***

*Without prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud:*

*Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years.*

*Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.*

## BASIS OF ALLOTMENT

Allotment will be made in consultation with NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).

2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

3. For applications where the proportionate allotment works out to less than 3000 equity shares the allotment will be made as follows:

   a) Each successful applicant shall be allotted 3000 equity shares; and

   b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.

4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 3000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 3000 equity shares.

5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

6. Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253(2) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows;

   (a). minimum fifty per cent. to retail individual investors; and

   (b). remaining to:

      i) individual applicants other than retail individual investors; and

      ii) other investors including corporate bodies or institutions, irrespective of the number of Equity Shares applied for;

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

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

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled "BASIS OF ALLOTMENT".

"Retail Individual Investor" means an investor who applies for shares of value of not more than ₹ 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the emerge platform of NSE.

## BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size as specified in Page no. 223 shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE") the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be

responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

## UNDERTAKING BY OUR COMPANY

Our Company undertakes the following:

1. that the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;

2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (Six) working days of closure of the Issue;

3. that funds required for making refunds/unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;

4. that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non-resident Indians shall be completed within specified time; and

5. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Draft Prospectus are listed or till the application monies are refunded on account of non-listing, under subscription etc.

6. that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

7. Adequate arrangements shall be made to collect all Application forms.

## UTILIZATION OF ISSUE PROCEEDS

The Board of Directors certifies that:

1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;

2) Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;

3) Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested;

4) Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively;

5) Our Company shall not have recourse to utilize the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), has issued consolidated FDI Policy Circular of 2017 ("FDI Policy 2017"), which is effective from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India ("RBI") also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated January 4, 2018 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100% foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the Company.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained; and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time.; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalites (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and iv) where the investee company is in the financial sector provided that: a) Any 'fit and proper/due diligence' requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

## INVESTMENT CONDITIONS/RESTRICTIONS FOR OVERSEAS ENTITIES

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule

1, 2, 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment up to aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

**I. Investment by FPIs under Portfolio Investment Scheme (PIS):**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

**II. Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 i.e. the total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

**III. Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

**Further, no Issue to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the "Draft Prospectus Directive") has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Draft Prospectus Directive except for any such Issue made under exemptions available under the Draft Prospectus Directive, provided that no such Issue shall result in a requirement to publish or supplement a Draft prospectus pursuant to the Prospectus Directive, in respect of the Issue.**

**Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft Prospectus.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

## DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

| Title of Articles | Article Number | Content |
|---|---|---|
| **CONSTITUTION OF THE COMPANY** | 1. | The Regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall not apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the Management of the Company. |
| **INTERPRETATION CLAUSE** | 2. | The marginal notes hereto shall not affect the construction hereof. In these presents, the following words and expressions shall have the following meanings unless excluded by the subject or context:<br>a) 'The Act' or 'The Companies Act' shall mean 'The Companies Act, 2013, its rules and any statutory modifications or reenactments thereof.'<br>b) 'The Board' or 'The Board of Directors' means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.<br>c) 'The Company' or 'This Company' means D.K. Enterprises Global Limited 'Directors' means the Directors for the time being of the Company.<br>d) 'Writing' includes printing, lithograph, typewriting and any other usual substitutes for writing.<br>e) 'Members' means members of the Company holding a share or shares of any class.<br>f) 'Month' shall mean a calendar month.<br>g) 'Paid-up' shall include 'credited as fully paid-up'.<br>h) 'Person' shall include any corporation as well as individual.<br>i) 'These presents' or 'Regulations' shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires.<br>j) 'Section' or 'Sec.' means Section of the Act.<br>k) Words importing the masculine gender shall include the feminine gender.<br>l) Except where the context otherwise requires, words importing the singular shall include the plural and the words importing the plural shall include the singular.<br>m) 'Special Resolution' means special resolution as defined by Section 114 in the Act.<br>n) 'The Office' means the Registered Office for the time being of the Company.<br>o) 'The Register' means the Register of Members to be kept pursuant to Section 88 of the Companies Act, 2013.<br>p) 'Proxy' includes Attorney duly constituted under a Power of Attorney. |
| | 3. | Except as provided by Section 67, no part of funds of the Company shall be employed in the purchase of the shares of the Company, and the Company shall not directly or indirectly and whether by shares, or loans, give, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company. |
| | 4. | The Authorized Share Capital of the Company shall be as prescribed in Clause V of the Memorandum of Association of the Company. |
| | 5. | Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot 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 at a discount (subject to compliance with the provisions of the Act) and at such terms as they may, from time to time, think fit and proper and with the sanction of the Company in General Meeting by a Special Resolution give to any person the option to call for or be allotted shares of any class of the Company, either at par, at a premium or subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board thinks fit unless the Company in General Meeting, by a Special Resolution, otherwise decides. Any offer of further shares shall be deemed to include a right, exercisable by the |

| Title of Articles | Article Number | Content |
|---|---|---|
| | | person to whom the shares are offered, to renounce the shares offered to him in favour of any other person.<br>Subject to the provisions of the Act, any redeemable Preference Share, including Cumulative Convertible Preference Share may, with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable to be redeemed or converted on such terms and in such manner as the Company, before the issue of the shares may, by special resolution, determine. |
| | 6. | The Company in General Meeting, by a Special Resolution, may determine that any share (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not), giving them the option to call or be allotted shares of any class of the Company either at a premium or at par or at a discount, (subject to compliance with the provisions of Section 53) such option being exercisable at such times and for such consideration as may be directed by a Special Resolution at a General Meeting of the Company or in General Meeting and may take any other provisions whatsoever for the issue, allotment or disposal of any shares. |
| | 7. | The Board may at any time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital, but subject to Section 62 of the Act, and subject to the following conditions namely:<br>I. (a) Such further shares shall be offered to the persons who, at the date of the offer, are holder of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date.<br>(b) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than twenty-one days, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.<br>(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in clause (b) shall contain a statement of this right.<br>(d) After the expiry of the time specified in the notice aforesaid, or in respect of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company.<br>II. The Directors may, with the sanction of the Company in General Meeting by means of a special resolution, offer and allot shares to any person at their discretion by following the provisions of section 62 of the Act and other applicable provisions, if any.<br>III. Nothing in this Article shall apply to the increase in the subscribed capital of the Company which has been approved by:<br>(a) A Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans, and<br>(b) The Central Government before the issue of the debentures or raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf. |
| | 8. | 1. The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of the class) may, subject to the provisions of Section 48 of the Act, be varied with the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a General Meeting of the holders of the shares of that class.<br>2. To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall Mutatis Mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class. |
| **Issue of further shares with disproportionate rights** | 9. | Subject to the provisions of the Act, the rights conferred upon the holders of the shares of any class issued with preferred or other rights or not, unless otherwise |

| Title of Articles | Article Number | Content |
|---|---|---|
| | | expressly provided for by the terms of the issue of shares of that class, be deemed to be varied by the creation of further shares ranking paripassu therewith. |
| **Not to issue shares with disproportionate rights** | 10. | The Company shall not issue any shares (not being Preference Shares) which carry voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares not being Preference Shares. |
| **Power to pay commission** | 11. | The Company may, at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any share, debenture or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, such commission in respect of shares shall be paid or payable out of the capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed five percent of the price at which the shares are issued and in the case of debentures, the rate of commission shall not exceed, two and half percent of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage as may be lawful. |
| **Liability of joint holders of shares** | 12. | The joint holders of a share or shares shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share or shares. |
| **Trust not recognised** | 13. | Save as otherwise provided by these Articles, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by a statute required, be bound to recognise any equitable, contingent, future or partial interest lien, pledge or charge in any share or (except only by these presents otherwise provided for) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder. |
| **Issue other than for cash** | 14. | a) The Board may issue and allot shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied or for services rendered or to be rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business and shares may be so allotted as fully paid-up shares, and if so issued, shall be deemed to be fully paid-up shares.<br>b) As regards all allotments, from time to time made, the Board shall duly comply with Section 39 of the Act. |
| **Acceptance of shares** | 15. | An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any share therein, shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any share and whose name is on the Register shall, for the purpose of these Articles, be a shareholder. |
| **Member' right to share Certificates** | 16. | 1. Every person whose name is entered as a member in the Register shall be entitled to receive without payment:<br>a) One certificate for all his shares; or<br>b) Share certificate shall be issued in marketable lots, where the share certificates are issued either for more or less than the marketable lots, sub-division/consolidation into marketable lots shall be done free of charge.<br>2. The Company shall, within two months after the allotment and within fifteen days after application for registration of the transfer of any share or debenture, complete and have it ready for delivery; the share certificates for all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares otherwise provide.<br>3. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.<br>4. The certificate of title to shares and duplicates thereof when necessary shall be issued under the seal of the Company and signed by two Directors and the Secretary or authorised official(s) of the Company. |
| **One Certificate for joint holders** | 17. | In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate for the same share or shares |

| Title of Articles | Article Number | Content |
|---|---|---|
| | | and the delivery of a certificate for the share or shares to one of several joint holders shall be sufficient delivery to all such holders. Subject as aforesaid, where more than one share is so held, the joint holders shall be entitled to apply jointly for the issue of several certificates in accordance with Article 20 below. |
| **Renewal of Certificate** | 18. | If a certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsement of transfer, it shall, if requested, be replaced by a new certificate without any fee, provided however that such new certificate shall not be given except upon delivery of the worn out or defaced or used up certificate, for the purpose of cancellation, or upon proof of destruction or loss, on such terms as to evidence, advertisement and indemnity and the payment of out of pocket expenses as the Board may require in the case of the certificate having been destroyed or lost. Any renewed certificate shall be marked as such in accordance with the provisions of the act in force. |
| **No fee for Renewal of Certificate** | 19. | For every certificate issued under the last preceding Article, no fee shall be charged by the Company. |
| **Splitting and consolidation of Share Certificate** | 20. | The shares of the Company will be split up/consolidated in the following circumstances:<br>(i). At the request of the member/s for split up of shares in marketable lot.<br>(ii). At the request of the member/s for consolidation of fraction shares into marketable lot. |
| **Directors may issue new Certificate(s)** | 21. | Where any share under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they think fit from the certificate not so delivered up. |
| **Person by whom installments are payable** | 22. | If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments, every such installment, shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative or representatives, if any. |
| **LIEN**<br><br>**Company's lien on shares** | 23. | The Company shall have first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either or jointly with any other person, and upon the proceeds or sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors, at any time, may declare any share to be exempt, wholly or partially from the provisions of this Article. Unless otherwise agreed, the registration of transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. |
| **As to enforcing lien by sale** | 24. | For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until the expiration of 14 days after a notice in writing stating and demanding payment of such amount in respect of which the lien exists has been given to the registered holders of the shares for the time being or to the person entitled to the shares by reason of the death of insolvency of the register holder. |
| **Authority to transfer** | 25. | a) To give effect to such sale, the Board of Directors may authorize any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer.<br>b) b. The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. |
| **Application of proceeds of sale** | 26. | The net proceeds of any such sale shall be applied in or towards satisfaction of the said moneys due from the member and the balance, if any, shall be paid to him or the person, if any, entitled by transmission to the shares on the date of sale. |
| **CALLS ON SHARES**<br><br>**Calls** | 27. | Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and the member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board of Directors. |

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| **When call deemed to have been made** | 28. | A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. The Board of Directors making a call may by resolution determine that the call shall be deemed to be made on a date subsequent to the date of the resolution, and in the absence of such a provision, a call shall be deemed to have been made on the same date as that of the resolution of the Board of Directors making such calls. |
| **Length of Notice of call** | 29. | Not less than thirty day's notice of any call shall be given specifying the time and place of payment provided that before the time for payment of such call, the Directors may, by notice in writing to the members, extend the time for payment thereof. |
| **Sum payable in fixed installments to be deemed calls** | 30. | If by the terms of issue of any share or otherwise, any amount is made payable at any fixed times, or by installments at fixed time, whether on account of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Directors, on which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to such amount or installment accordingly. |
| **When interest on call or installment payable** | 31. | If the sum payable in respect of any call or, installment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the installment shall fall due, shall pay interest for the same at the rate of 12 percent per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Directors may determine. The Board of Directors shall also be at liberty to waive payment of that interest wholly or in part. |
| **Sums payable at fixed times to be treated as calls** | 32. | The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any such sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified. |
| **Payment of call in advance** | 33. | The Board of Directors, may, if it thinks fit, receive from any member willing to advance all of or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advance may (until the same would, but for such advance become presently payable) pay interest at such rate as the Board of Directors may decide but shall not in respect of such advances confer a right to the dividend or participate in profits. |
| **Partial payment not to preclude forfeiture** | 34. | Neither a judgment nor a decree in favor of the Company for calls or other moneys due in respect of any share nor any part payment or satisfaction there under, nor the receipt by the Company of a portion of any money which shall from, time to time, be due from any member in respect of any share, either by way of principal or interest nor any indulgency 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 herein after provided. |
| **FORFEITURE OF SHARES**<br><br>**If call or installment not paid, notice may be given** | 35. | If a member fails to pay any call or installment of a call on the day appointed for the payment not paid thereof, the Board of Directors may during such time as any part of such call or installment remains unpaid serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest, which may have accrued. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other share. |
| **Evidence action by Company against shareholders** | 36. | On the trial or hearing of any action or suit brought by the Company against any shareholder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of shareholders of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any |

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| | | other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt. |
| **Form of Notice** | 37. | The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice), on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited. |
| **If notice not complied with, shares may be forfeited** | 38. | If the requirements of any such notice as, aforementioned are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. |
| **Notice after forfeiture** | 39. | When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid. |
| **Boards' right to dispose of forfeited shares or cancellation of forfeiture** | 40. | A forfeited or surrendered share may be sold or otherwise disposed off on such terms and in such manner as the Board may think fit, and at any time before such a sale or disposal, the forfeiture may be cancelled on such terms as the Board may think fit. |
| **Liability after forfeiture** | 41. | A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding such forfeiture, remain liable to pay and shall forthwith pay the Company all moneys, which at the date of forfeiture is payable by him to the Company in respect of the share, whether such claim be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company received payment in full of all such moneys due in respect of the shares. |
| **Effect of forfeiture** | 42. | The forfeiture of a share shall involve in the extinction of all interest in and also of all claims and demands against the Company in respect of the shares and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved. |
| **Evidence of forfeiture** | 43. | A duly verified declaration in writing that the declarant is a Director of the Company and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and that declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any ) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share. |
| **Non-payment of sums payable at fixed times** | 44. | The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by terms of issue of a share, becomes payable at a fixed time, whether, on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified. |
| **Validity of such sales** | 45. | Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold and may issue fresh certificate in the name of such a purchaser. The purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. |
| **TRANSFER AND TRANSMISSION OF SHARES** | 46. | a) The instrument of transfer of any share in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof. |

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| **Transfer** | | b) The Board shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company along with the certificate and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.<br>Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Board thinks fit, on an application on such terms in writing made by the transferee and bearing the stamp required for an instrument of transfer, register the transfer on such terms as to indemnity as the Board may think fit.<br>c) **An application for the registration of the transfer of any share or shares may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of partly paid shares, be effected unless the Company gives notice of the application to the transferee. The Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.**<br>**d) For the purpose of Sub-clause (c), 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 delivered in the ordinary course of post.**<br>**e) Nothing in Sub-clause (d) shall prejudice any power of the Board to register as a shareholder any person to whom the right to any share has been transmitted by operation of law.** |
| **Form of transfer** | 47. | Shares in the Company shall be transferred by an instrument in writing in such common form as specified in Section 56 of the Companies Act. |
| **Board's right to refuse to register** | 48. | The Board, may, at its absolute discretion and without assigning any reason, decline to register<br>1. The transfer of any share, whether fully paid or not, to a person of whom it do not approve or<br>2. Any transfer or transmission of shares on which the Company has a lien<br>a. Provided that registration of any 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 a lien on the shares.<br>b. If the Board refuses to register any transfer or transmission of right, it shall, within fifteen days from the date of which the instrument or transfer of the intimation of such transmission was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be.<br>c. In case of such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by Section 58.<br>d. The provisions of this clause shall apply to transfers of stock also. |
| **Further right of Board of Directors to refuse to register** | 49. | a. The Board may, at its discretion, decline to recognise or accept instrument of transfer of shares unless the instrument of transfer is in respect of only one class of shares.<br>b. No fee shall be charged by the Company for registration of transfers or for effecting transmission on shares on the death of any member or for registering any letters of probate, letters of administration and similar other documents.<br>c. Notwithstanding anything contained in Sub-articles (b) and (c) of Article 46, the Board may not accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such a sub-division or consolidation is required to be made to comply with a statutory order or an order of a competent Court of Law or a request from |

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| | | a member to convert his holding of odd lots, subject however, to verification by the Company.<br>d. The Directors may not accept applications for transfer of less than 100 equity shares of the Company, provided however, that these restrictions shall not apply to:<br>i. Transfer of equity shares made in pursuance of a statutory order or an order of competent court of law.<br>ii. Transfer of the entire equity shares by an existing equity shareholder of the Company holding less than hundred (100) equity shares by a single transfer to joint names.<br>iii. Transfer of more than hundred (100) equity shares in favour of the same transferee under one or more transfer deeds, one or more of them relating to transfer of less than hundred (100) equity shares.<br>iv. Transfer of equity shares held by a member which are less than hundred (100) but which have been allotted to him by the Company as a result of Bonus and/or Rights shares or any shares resulting from Conversion of Debentures.<br>v. The Board of Directors be authorised not to accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such sub-division or consolidation is required to be made to comply with a statutory order of a Court of Law or a request from a member to convert his holding of odd lots of shares into transferable/marketable lots, subject, however, to verification by the Company.<br>Provided that where a member is holding shares in lots higher than the transferable limit of trading and transfers in lots of transferable unit, the residual shares shall be permitted to stand in the name of such transferor not withstanding that the residual holding shall be below hundred (100). |
| **Rights to shares on death of a member for transmission** | 50. | a. In the event of death of any one or more of several joint holders, the survivor, or survivors, alone shall be entitled to be recognised as having title to the shares.<br>b. In the event of death of any sole holder or of the death of last surviving holder, the executors or administrators of such holder or other person legally entitled to the shares shall be entitled to be recognised by the Company as having title to the shares of the deceased.<br>Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representative of the deceased shareholder.<br>Provided further that if the deceased shareholder was a member of a Hindu Joint Family, the Board, on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family, may recognise the survivors of Karta thereof as having titles to the shares registered in the name of such member.<br>Provided further that in any case, it shall be lawful for the Board in its absolute discretion, to dispense with the production of probate or letters of administration or other legal representation upon such evidence and such terms as to indemnity or otherwise as the Board may deem just. |
| **Rights and liabilities of person** | 51. | 1. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time be required by the Board and subject as herein, after provided elect either<br>a. to be registered himself as a holder of the share or<br>b. to make such transfer of the share as the deceased or insolvent member could have made.<br>2. The Board, shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency. |
| **Notice by such a person of his election** | 52. | a. If the person so becoming entitled shall elect to be registered as holder of the shares himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. |

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| | | b. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.<br>c. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice of transfer had been signed by that member. |
| **No transfer to infant, etc.** | 53. | No transfer shall be made to an infant or a person of unsound mind. |
| **Endorsement of transfer and issue of certificate** | 54. | Every endorsement upon the certificate of any share in favour of any transferee shall be signed by the Secretary or by some person for the time being duly authorised by the Board in that behalf. |
| **Custody of transfer** | 55. | The instrument of transfer shall, after registration, remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more. |
| **Register of members** | 56. | a. The Company shall keep a book to be called the Register of Members, and therein shall be entered the particulars of every transfer or transmission of any share and all other particulars of shares required by the Act to be entered in such Register.<br><br>**Closure of Register of members**<br>b. The Board may, after giving not less than seven days previous notice by advertisement in some newspapers circulating in the district in which the Registered Office of the Company is situated, close the Register of Members or the Register of Debenture Holders for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time.<br>**When instruments of transfer to be retained**<br>c. All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same. |
| **Company's right to register transfer by apparent legal owner** | 57. | The Company shall incur no liability or responsibility whatever in consequence of their 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 same shares not withstanding that the Company may have had notice of such equitable right or title or interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in the books of the Company; but the Company shall nevertheless be at liberty to have regard and to attend to any such notice and give effect thereto, if the Board shall so think fit. |
| **Alteration Of Capital**<br><br>**Alteration and consolidation, sub-division and cancellation of shares** | 58. | a. The Company may, from time to time, in accordance with the provisions of the Act, alter by Ordinary Resolution, the conditions of the Memorandum of Association as follows:<br>1. increase its share capital by such amount as it thinks expedient by issuing new shares;<br>2. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;<br>3. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of the denomination;<br>4. sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division on the proportion between the amount paid and the amount, if any, unpaid, on each reduced share shall be the same as it was in the case of the shares from which the reduced share is derived.<br>5. a. Cancel shares which, at the date of passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and |

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| | | diminish the amount of its share capital by the amount of the shares so cancelled.<br>b. The resolution whereby any share is sub-divided may determined that, as between the holder of the shares resulting from such sub-division, one or more such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others.<br>6. Classify and reclassify its share capital from the shares on one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may for the time being be permitted under legislative provisions for the time being in force in that behalf. |
| **Reduction of capital, etc. by Company** | 59. | The Company may, by Special Resolution, reduce in any manner with and subject to any incident authorised and consent as required by law:<br>a. its share capital;<br>b. any capital redemption reserve account; or<br>c. any share premium account. |
| **Surrender of Shares** | 60. | The Directors may, subject to the provisions of the Act, accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof. |
| **Modification of Rights** | 61. | **Power of modify shares**<br>The rights and privileges attached to each class of shares may be modified, commuted, affected, abrogated in the manner provided in Section 48 of the Act. |
| **Set-off of Moneys Due To Shareholders** | 62. | Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other person, to the Company in respect of calls. |
| **Conversion of Shares** | 63. | The Company may, by Ordinary Resolution, convert all or any fully paid share(s) of any denomination into stock and vice versa. |
| **Transfer of stock** | 64. | The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations, under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit; provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose. |
| **Right of stockholders** | 65. | The holders of the stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and its assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage. |
| **Applicability of regulations to stock and stockholders** | 66. | Such of the regulations contained in these presents, other than those relating to share warrants as are applicable to paid-up shares shall apply to stock and the words shares and shareholder in these presents shall include stock and stockholder respectively. |
| **Dematerialisation of Securities** | 67. | **a) Definitions**<br>For the purpose of this Article:<br>'Beneficial Owner' means a person or persons whose name is recorded as such with a depository;<br>'SEBI' means the Securities and Exchange Board of India;<br>'Depository' means a company formed and registered under the Companies Act, 2013, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992, and<br>'Security' means such security as may be specified by SEBI from time to time.<br>**b) Dematerialisation of securities**<br>Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its securities and to offer securities in a |

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| | | dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.<br>**c) Options for investors**<br>Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person, who is the beneficial owner of the securities, can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.<br>**d) Securities in depositories to be in fungible form**<br>All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.<br>**e) Rights of depositories and beneficial owners:**<br>(i). Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.<br>(ii). Save as otherwise provided in (a) above, the depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the securities held by it.<br>(iii). Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.<br>**f) Service of documents**<br>Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.<br>**g) Transfer of securities**<br>Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.<br>**h) Allotment of securities dealt with in a depository**<br>Notwithstanding anything in the Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.<br>**i) Distinctive numbers of securities held in a depository**<br>Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers of securities issued by the Company shall apply to securities held in a depository.<br>**j) Register and Index of Beneficial owners**<br>The Register and Index of Beneficial Owners, maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security Holders for the purposes of these Articles.<br>**k) Company to recognise the rights of registered holders as also the beneficial owners in the records of the depository**<br>Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the beneficial owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any benami trust or |

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| | | equity or equitable, contingent or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof. |
| **General Meetings** | 68. | **Annual General Meeting**<br>The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions of Section 96 of the Act. |
| **Extraordinary General Meeting** | 69. | 1. Extraordinary General Meetings may be held either at the Registered Office of the Company or at such convenient place as the Board or the Managing Director (subject to any directions of the Board) may deem fit.<br>**Right to summon Extraordinary General Meeting**<br>2. The Chairman or Vice Chairman may, whenever they think fit, and shall if so directed by the Board, convene an Extraordinary General Meeting at such time and place as may be determined. |
| **Extraordinary Meeting by requisition** | 70. | a. The Board shall, on the requisition of such number of members of the Company as is specified below, proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition.<br>b. The requisition shall set our matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company or sent to the Company by Registered Post addressed to the Company at its Registered Office.<br>c. The requisition may consist of several documents in like forms, each signed by one or more requisitionists.<br>d. The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold, on the date of the deposit of the requisition, not less than 1/10th of such of the paid-up capital of the Company as at the date carries the right of the voting in regard to the matter set out in the requisition.<br>e. If the Board does not, within 21 days from the date of receipt of deposit of the requisition with regard to any matter, proceed duly to call a meeting for the consideration of these matters on a date not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or such of the requisitionists, as represent either majority in the value of the paid-up share capital held by them or of not less than one tenth of such paid-up capital of the Company as is referred to in Sub-clause (d) above, whichever is less. |
| **Length of notice for calling meeting** | 71. | A General Meeting of the Company may be called by giving not less than twenty one days notice in writing, provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded by the members holding not less than 95 per cent of the part of the paid- up share capital which gives the right to vote on the matters to be considered at the meeting.<br>Provided that where any member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members, shall be taken into account for purpose of this clause in respect of the former resolution or resolutions and not in respect of the latter. |
| **Accidental omission to give notice not to invalidate meeting** | 72. | The accidental omission is to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of any resolution passed at such meeting. |
| **Special business and statement to be annexed** | 73. | All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein, of every Director and the Manager, if any, every other Key Managerial Personnel and the relatives of Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the according of approval to |

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| | | any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.<br>Where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement. |
| **Quorum** | 74. | The quorum requirements for general meetings shall be as under and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business:<br>Number of members upto 1000: 5 members personally present<br>Number of members 1000-5000: 15 members personally present<br>Number of members more than 5000: 30 members personally present |
| **If quorum not present, when meeting to be dissolved and when to be adjourned** | 75. | If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week and at the same time and place or to such other day and to be at such other time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum. |
| **Chairman of General Meeting** | 76. | The Chairman of the Board of Directors shall preside at every General Meeting of the Company and if he is not present within 15 minutes after the time appointed for holding the meeting, or if he is unwilling to act as Chairman, the Vice Chairman of the Board of Directors shall preside over the General Meeting of the Company. |
| **When Chairman is absent** | 77. | If there is no such Chairman or Vice Chairman or if at any General Meeting, either the Chairman or Vice Chairman is not present within fifteen minutes after the time appointed for holding the meeting or if they are unwilling to take the chair, the members present shall choose one of their members to be the Chairman. |
| **Adjournment of meeting** | 78. | The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.<br>When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting. |
| **Questions at General Meeting how decided** | 79. | At a General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands/result of electronic voting as per the provisions of Section 108, unless a poll is (before or on the declaration of the result of the show of hands/ electronic voting) demanded in accordance with the provisions of Section 109. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands/ electronic voting, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number of proportion of the votes recorded in favour of or against that resolution. |
| **Casting vote** | 80. | In the case of an equality of votes, the Chairman shall, whether on a show of hands, or electronically or on a poll, as the case may be, have a casting vote in addition to the vote or votes to which he may be entitled as a member. |
| **Taking of poll** | 81. | If a poll is duly demanded in accordance with the provisions of Section 109, it shall be taken in such manner as the Chairman, subject to the provisions of Section 109 of the Act, may direct, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken. |
| **In what cases poll taken without adjournment** | 82. | A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. Where a poll is demanded on any other question, adjournment shall be taken at such time not being later than forty-eight hours from the time which demand was made, as the Chairman may direct. |

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| **Votes** | 83. | a. Every member of the Company holding Equity Share(s), shall have a right to vote in respect of such capital on every resolution placed before the Company. On a show of hands, every such member present shall have one vote and shall be entitled to vote in person or by proxy and his voting right on a poll or on e-voting shall be in proportion to his share of the paid-up Equity Capital of the Company.<br>b. Every member holding any Preference Share shall in respect of such shares have a right to vote only on resolutions which directly affect the rights attached to the Preference Shares and subject as aforesaid, every such member shall in respect of such capital be entitled to vote in person or by proxy, if the dividend due on such preference shares or any part of such dividend has remained unpaid in respect of an aggregate period of not less than two years preceding the date of the meeting. Such dividend shall be deemed to be due on Preference Shares in respect of any period, whether a dividend has been declared by the Company for such period or not, on the day immediately following such period.<br>c. Whenever the holder of a Preference Share has a right to vote on any resolution in accordance with the provisions of this article, his voting rights on a poll shall be in the same proportion as the capital paid-up in respect of such Preference Shares bear to the total equity paid-up capital of the Company. |
| **Business may proceed notwithstanding demand for poll** | 84. | A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded; The demand for a poll may be withdrawn at any time by the person or persons who made the demand. |
| **Joint holders** | 85. | In the case of joint holders, the vote of the first named of such joint holders who tender a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. |
| **Member of unsound mind** | 86. | A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll vote by proxy. |
| **No member entitled to vote while call due to Company** | 87. | No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid. |
| **Proxies permitted on polls** | 88. | On a poll, votes may be given either personally or by proxy provided that no Company shall vote by proxy as long as resolution of its Directors in accordance with provisions of Section 113 is in force. |
| **Instrument of proxy** | 89. | a. The instrument appointing a proxy shall be in writing under the hand of the appointed or of the attorney duly authorised in writing, or if the appointer is a Corporation, either under the common seal or under the hand of an officer or attorney so authorised. Any person may act as a proxy whether he is a member or not.<br>b. A body corporate (whether a company within the meaning of this Act or not) may:<br>1. If it is a member of the Company by resolution of its Board of Directors or other governing body, authorise such persons as it thinks fit to act as its representatives at any meeting of the Company, or at any meeting of any class of members of the Company;<br>2. If it is a creditor (including a holder of debentures) of the Company, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of this Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.<br>c. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as if he were personally the member, creditor or debenture holder. |

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| **Instrument of proxy to be deposited at the office** | 90. | The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power of authority shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, and in default, the instrument of proxy shall not be treated as valid. |
| **Validity of vote by proxy** | 91. | A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the appointer, or revocation of the proxy, or transfer of the share in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used. |
| **Form of proxy** | 92. | Any instrument appointing a proxy may be a two way proxy form to enable the shareholders to vote for or against any resolution at their discretion. The instrument of proxy shall be in the prescribed form as given in Form MGT-11. |
| **DIRECTORS** | 93. | Number of Directors<br>Unless otherwise determined by a General Meeting, the number of Directors shall not be less than 3 and not more than 15.<br>Present Board of Directors<br>1. **Mr. Rakesh Kumar**<br>**2. Mr. Dhruv Rakesh**<br>**3. Mrs. Rekha Bansal**<br>**4. Mr. Jeenendra Prakash Singhvi**<br>**5. Mr. Khagesh Kaushal**<br>**a)** Same individual may be appointed as Chairperson and Managing Director / Chief Executive Office<br>The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive of the Company.<br>**b)** Same individual may be appointed as Chairperson and Managing Director / Chief Executive Officer<br>**The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive of the Company.** |
| | 94. | Subject to the provisions of the Act as may be applicable, the Board may appoint any person as a Managing Director to perform such functions as the Board may decide from time to time. Such Director shall be a Member of the Board. |
| **Qualification of Directors** | 95. | Any person, whether a member of the Company or not, may be appointed as a Director. No qualification by way of holding shares in the capital of the Company shall be required of any Director. |
| **Director's remuneration** | 96. | a. Until otherwise determined by the Company in General Meeting, each Director shall be entitled to receive and be paid out of the funds of the Company a fee for each meeting of the Board of Directors or any committee thereof, attended by him as may be fixed by the Board of Directors from time to time subject to the provisions of Section 197 of the Act, and the Rules made thereunder. For the purpose of any resolution in this regard, none of the Directors shall be deemed to be interested in the subject matter of the resolution. The Directors shall also be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at meetings of the Board or of any committee of the Board or otherwise in the execution of their duties as Directors either in India or elsewhere. The Managing/Whole-time Director of the Company who is a full time employee, drawing remuneration will not be paid any fee for attending Board Meetings.<br>b. Subject to the provisions of the Act, the Directors may, with the sanction of a Special Resolution passed in the General Meeting and such sanction, if any, of the Government of India as may be required under the Companies |

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| | | Act, sanction and pay to any or all the Directors such remuneration for their services as Directors or otherwise and for such period and on such terms as they may deem fit.<br>c. Subject to the provisions of the Act, the Company in General Meeting may by Special Resolution sanction and pay to the Director in addition to the said fees set out in sub-clause (a) above, a remuneration not exceeding one per cent (1%) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The said amount of remuneration so calculated shall be divided equally between all the Directors of the Company who held office as Directors at any time during the year of account in respect of which such remuneration is paid or during any portion of such year irrespective of the length of the period for which they held office respectively as such Directors.<br>d. Subject to the provisions of Section 188 of the Companies Act, and subject to such sanction of the Government of India, as may be required under the Companies Act, if any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Directors may pay to such Director such special remuneration as they think fit; such remuneration may be in the form of either salary, commission, or lump sum and may either be in addition to or in substitution of the remuneration specified in clause (a) of the Article. |
| **Directors may act notwithstanding vacancy** | 97. | The continuing Directors may act not withstanding any vacancy in their body, but subject to the provisions contained in Article 121 below: |
| **Chairman or Vice-chairman of the Board** | 98. | a. Notwithstanding anything contained in these Articles and pursuant to provisions of the Act, Managing Director of the company will act as Chairman of the board and Deputy Managing Director will act as Vice chairman of the board.<br>b. Subject to the provisions of the Act, the Chairman and the Vice Chairman may be paid such remuneration for their services as Chairman and Vice Chairman respectively, and such reasonable expenses including expenses connected with travel, secretarial service and entertainment, as may be decided by the Board of Directors from time to time. |
| **Casual vacancy** | 99. | If the office of any Director becomes vacant before the expiry of the period of his Directorship in normal course, the resulting casual vacancy may be filled by the Board at a Meeting of the Board subject to Section 161 of the Act. Any person so appointed shall hold office only upto the date which the Director in whose place he is appointed would have held office if the vacancy had not occurred as aforesaid. |
| **VACATION OF OFFICE BY DIRECTORS** | 100. | The office of a Director shall be vacated if:<br>1. he is found to be unsound mind by a Court of competent jurisdiction;<br>2. he applies to be adjudicated as an insolvent;<br>3. he is an undischarged insolvent;<br>4. he is convicted by a Court of any offence whether involving moral turpitude or otherwise and is sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;<br>5. he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call;<br>6. an order disqualifying him for appointment as Director has been passed by court or tribunal and the order is in force.<br>7. he has not complied with Subsection (3) of Section 152<br>8. he has been convicted of the offence dealing with related party transaction under section 188 at any time during the preceding five years.<br>9. he absents himself from all meetings of the Board for a continuous period of twelve months, with or without seeking leave of absence from the Board;<br>10. he acts in contravention of Section 184 of the Act and fails to disclose his interest in a contract in contravention of section 184.<br>11. he becomes disqualified by an order of a court or the Tribunal |

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| | | 12. he is removed in pursuance of the provisions of the Act,<br>13. having been appointed a Director by virtue of holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;<br>notwithstanding anything in Clause (4), (6) and (8) aforesaid, the disqualification referred to in those clauses shall not take effect:<br>1. for thirty days from the date of the adjudication, sentence or order;<br>2. where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed off; or<br>3. where within the seven days as aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off. |
| **Alternate Directors** | 101. | **(a)** The Board may appoint an Alternate Director to act for a Director hereinafter called in this clause "the Original Director" during his absence for a period of not less than 3 months from India.<br>**(b)** An Alternate Director appointed as aforesaid shall vacate office if and when the Original Director returns to India.<br>**Independent Directors**<br>**(c)** (i) The Directors may appoint such number of Independent Directors as are required under Section 149 of the Companies Act, 2013 or clause 49 of Listing Agreement, whichever is higher, from time to time.<br>(ii) Independent directors shall possess such qualification as required under Section 149 of the companies Act, 2013 and clause 49 of Listing Agreement<br>(iii) Independent Director shall be appointed for such period as prescribed under relevant provisions of the companies Act, 2013 and Listing Agreement and shall not be liable to retire by rotation.<br>**Women Director**<br>**(d)** The Directors shall appoint one women director as per the requirements of section 149 of the Act.<br>**Key Managerial Personnel**<br>**(e)** Subject to the provisions of the Act,—<br>(i). A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of are solution of the Board;<br>(ii). A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.<br>(iii).(iii) The Managing Director shall act as the Chairperson of the Company for all purposes subject to the provisions contained in the Act and these articles. |
| **Additional Directors** | 102. | The Directors may, from time to time, appoint a person as an Additional Director provided that the number of Directors and Additional Directors together shall not exceed the maximum number of Directors fixed under Article 93 above. Any person so appointed as an Additional Director shall hold office up to the date of the next Annual General Meeting of the Company.<br>**Proportion of retirement by rotation**<br>a. The proportion of directors to retire by rotation shall be as per the provisions of Section 152 of the Act. |
| **Debenture** | 103. | Any trust deed for securing debentures or debenture-stocks may, if so arranged, provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person to be a Director of the Company and may empower such Trustees, holder of debentures or debenture-stocks, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time |

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| | | being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any other provisions herein contained. |
| **Corporation/Nominee Director** | 104. | a. Notwithstanding anything to the contrary contained in the Articles, so long as any moneys remain owing by the Company the any finance corporation or credit corporation or body, (herein after in this Article referred to as "The Corporation") out of any loans granted by them to the Company or as long as any liability of the Company arising out of any guarantee furnished by the Corporation, on behalf of the Company remains defaulted, or the Company fails to meet its obligations to pay interest and/or instalments, the Corporation shall have right to appoint from time to time any person or person as a Director or Directors (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any person so appointed, any person or persons in his or their place(s).<br>b. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s as long as such default continues. Such Nominee Director/s shall not be required to hold any share qualification in the Company, and such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.<br>The Nominee Director/s appointed shall hold the said office as long as any moneys remain owing by the Company to the Corporation or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.<br>The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, and of the Meeting of the Committee of which the Nominee Director/s is/are member/s.<br>The Corporation shall also be entitled to receive all such notices. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Director/s of the Company are entitled, but if any other fee, commission, monies or remuneration in any form is payable to the Director/s of the Company, the fee, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment to Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.<br>Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees, in relation to such Nominee Director/s shall so accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.<br>c. The Corporation may at any time and from time to time remove any such Corporation Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as a Corporation Director in his place. Such appointment or removal shall be made in writing signed by the Chairman or Joint Chairman of the Corporation or any person and shall be delivered to the Company at its Registered office. It is clarified that every Corporation entitled to appoint a Director under this Article may appoint such number of persons as Directors as may be authorised by the Directors of the Company, subject to Section 152 of the Act and so that the number does not exceed 1/3 of the maximum fixed under Article 93. |

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| **Disclosure of interest of Directors** | 105. | a. Subject to the provisions of the Act, the Directors shall not be disqualified by reason of their office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker, or otherwise, nor shall any such contract or any contract or arrangement entered into by on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but the nature of the interest must be disclosed by the Director at the meeting of the Board at which the contract or arrangements is determined or if the interest then exists in any other case, at the first meeting of the Board after the acquisition of the interest.<br>Provided nevertheless that no Director shall vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid or take part in the proceedings thereat and he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This provision shall not apply to any contract by or on behalf of the Company to indemnify the Directors or any of them against any loss they may suffer by becoming or being sureties for the Company.<br>b. A Director may be or become a Director of any company promoted by this Company or in which this Company may be interested as vendor, shareholder or otherwise and no such Director shall be accountable to the Company for any benefits received as a Director or member of such company. |
| **Rights of Directors** | 106. | Except as otherwise provided by these Articles and subject to the provisions of the Act, all the Directors of the Company shall have in all matters equal rights and privileges, and be subject to equal obligations and duties in respect of the affairs of the Company. |
| **Directors to comply with Section 184** | 107. | Notwithstanding anything contained in these presents, any Director contracting with the Company shall comply with the provisions of Section 184 of the Companies Act, 2013. |
| **Directors power of contract with Company** | 108. | Subject to the limitations prescribed in the Companies Act, 2013, the Directors shall be entitled to contract with the Company and no Director shall be disqualified by having contracted with the Company as aforesaid. |
| **ROTATION OF DIRECTORS** | 109. | **Rotation and retirement of Directors**<br>At every annual meeting, one-third of the Directors shall retire by rotation in accordance with provisions of Section 152 of the Act. |
| **Retiring Directors eligible for re-election** | 110. | A retiring Director shall be eligible for re-election and the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up vacated office by electing a person thereto. |
| **Which Directors to retire** | 111. | The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot. |
| **Retiring Directors to remain in office till successors are appointed** | 112. | Subject to Section 152 of the Act, if at any meeting at which an election of Directors ought to take place, the place of the vacating or deceased Directors is not filled up and the meeting has not expressly resolved not to fill up or appoint the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday at the same time, place, and if at the adjourned meeting the place of vacating Directors is not filled up and the meeting has also not expressly resolved not to fill up the vacancy, then the vacating Directors or such of them as have not had their places filled up shall be deemed to have been reappointed at the adjourned meeting. |
| **Power of General Meeting to increase or reduce number of Directors** | 113. | Subject to the provisions of Sections 149, 151 and 152 the Company in General Meeting may increase or reduce the number of Directors subject to the limits set out in Article 93 and may also determine in what rotation the increased or reduced number is to retire. |

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| **Power to remove Directors by ordinary resolution** | 114. | Subject to provisions of Section 169 the Company, by Ordinary Resolution, may at any time remove any Director except Government Directors before the expiry of his period of office, and may by Ordinary Resolution appoint another person in his place. The person so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforementioned. A Director so removed from office shall not be re-appointed as a Director by the Board of Directors. Special Notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody instead of the Director at the meeting at which he is removed. |
| **Rights of persons other than retiring Directors to stand for Directorships** | 115. | Subject to the provisions of Section 160 of the Act, a person not being a retiring Director shall be eligible for appointment to the office of a Director at any general meeting if he or some other member intending to propose him as a Director has not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the Director, or the intention of such member to propose him as a candidate for that office, as the case may be "along with a deposit of such sum as may be prescribed by the Act or the Central Government from time to time 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 25% of total valid votes cast either on show of hands or electronicaly or on poll on such resolution". |
| **Register of Directors and KMP and their shareholding** | 116. | The Company shall keep at its Registered Office a register containing the addresses and occupation and the other particulars as required by Section 170 of the Act of its Directors and Key Managerial Personnel and shall send to the Registrar of Companies returns as required by the Act. |
| **Business to be carried on** | 117. | The business of the Company shall be carried on by the Board of Directors. |
| **Meeting of the Board** | 118. | The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings, as it thinks fit, provided that a meeting of the Board shall be held at least once in every one hundred and twenty days; and at least four such meetings shall be held in every year. |
| **Director may summon meeting** | 119. | A Director may at any time request the Secretary to convene a meeting of the Directors and seven days notice of meeting of directors shall be given to every director and such notice shall be sent by hand delivery or by post or by electronic means. |
| **Question how decided** | 120. | a. Save as otherwise expressly provided in the Act, a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board.<br>b. In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director. |
| **Right of continuing Directors when there is no quorum** | 121. | The continuing Directors may act notwithstanding any vacancy in the Board, but if and as long as their number if reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company and for no other purpose. |
| **Quorum** | 122. | The quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that onethird being rounded off as one) or two Directors whichever is higher; provided that where at any time the number of interested Directors is equal to or exceeds 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. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of the Board after deducting therefrom the number of Directors, if any, whose places are vacant at the time. |
| **Election of Chairman to the Board** | 123. | If no person has been appointed as Chairman or Vice Chairman under Article 98(a) or if at any meeting, the Chairman or Vice Chairman of the Board is not present within fifteen minutes after the time appointed for holding the meeting, |

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| | | the Directors present may choose one of their members to be the Chairman of the meeting. |
| **Power to appoint Committees and to delegate** | 124. | a. The Board may, from time to time, and at any time and in compliance with provisions of the act and listing agreement constitute one or more Committees of the Board consisting of such member or members of its body, as the Board may think fit.<br>**Delegation of powers**<br>b. Subject to the provisions of Section 179 the Board may delegate from time to time and at any time to any Committee so appointed all or any of the powers, authorities and discretions for the time being vested in the Board and such delegation may be made on such terms and subject to such conditions as the Board may think fit and subject to provisions of the act and listing agreement.<br>c. The Board may from, time to time, revoke, add to or vary any powers, authorities and discretions so delegated subject to provisions of the act and listing agreement. |
| **Proceedings of Committee** | 125. | The meeting and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto, and not superseded by any regulations made by the Directors under the last proceeding Article. |
| **Election of Chairman of the Committee** | 126. | a. The Chairman or the Vice Chairman shall be the Chairman of its meetings, if either is not available or if at any meeting either is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be Chairman of the meeting.<br>b. The quorum of a Committee may be fixed by the Board and until so fixed, if the Committee is of a single member or two members, the quorum shall be one and if more than two members, it shall be two. |
| **Question how determined** | 127. | a. A Committee may meet and adjourn as it thinks proper.<br>b. Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be and in case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee. |
| **Acts done by Board or Committee valid, notwithstanding defective appointment, etc.** | 128. | All acts done by any meeting of the Board or a Committee thereof, or by any person acting as a Director shall, not withstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or any person acting as aforesaid, or that any of them was disqualified, be as valid as if every such Director and such person had been duly appointed and was qualified to be a Director. |
| **Resolution by circulation** | 129. | Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with necessary papers, if any, to all the members of the Committee then in India (not being less in number than the quorum fixed for the meeting of the Board or the Committee as the case may) and to all other Directors or members at their usual address in India or by a majority of such of them as are entitled to vote on the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or Committee duly convened and held. |
| **POWERS AND DUTIES OF DIRECTORS** | 130. | **General powers of Company vested in Directors**<br>The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not, by the act or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these Articles, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting, shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made. |
| **Attorney of the Company** | 131. | The Board may appoint at any time and from time to time by a power of attorney under the Company's seal, any person to be the Attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding |

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| | | those vested in or exercisable by the Board under these Articles 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 any of the members of any firm or company, or the members, Directors, nominees or managers of any firm or company or otherwise in favour of any body or persons whether nominated directly or indirectly by the Board and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the Board may think fit. |
| **Power to authorise sub delegation** | 132. | The Board may authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in him. |
| **Directors' duty to comply with the provisions of the Act** | 133. | The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, and keep a register of the Directors, and send to the Registrar an annual list of members and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital and copies of special resolutions, and such other resolutions and agreements required to be filed under Section 117 of the Act and a copy of the Register of Directors and notifications of any change therein. |
| **Special power of Directors** | 134. | In furtherance of and without prejudice to the general powers conferred by or implied in Article 130 and other powers conferred by these Articles, and subject to the provisions of Sections 179 and 180 of the Act, that may become applicable, it is hereby expressly declared that it shall be lawful for the Directors to carry out all or any of the objects set forth in the Memorandum of Association and to the following things. |
| **To acquire and dispose of property and rights** | 135. | a. To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit and to sell, let, exchange, or otherwise dispose of the property, privileges and undertakings of the Company upon such terms and conditions and for such consideration as they may think fit.<br>**To pay for property in debentures, etc.**<br>b. At their discretion to pay for any property, rights and privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures or other securities of the Company and any such shares may be issued either as fully paid-up or with such amount credited as paid-up, the sum as may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.<br>**To secure contracts by mortgages**<br>c. To secure the fulfillment of any contracts or agreements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as they think fit.<br>**To appoint officers, etc.**<br>d. To appoint and at their discretion remove, or suspend such agents, secretaries, officers, clerks and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties and fix their powers and duties and fix their salaries or emoluments and to the required security in such instances and to such amount as they think fit.<br>e. 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 payments or satisfaction of any dues and of any claims or demands by or against the Company.<br>**To refer to arbitration**<br>f. To refer to, any claims or demands by or against the Company to arbitration and observe and perform the awards.<br>**To give receipt**<br>g. To make and give receipts, releases and other discharges for money payable to the Company and of the claims and demands of the Company. |

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| | | **To act in matters of bankrupts and insolvents**<br>h. To act on behalf of the Company in all matters relating to bankrupts and insolvents.<br>**To give security by way of indemnity**<br>i. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.<br>**To give commission**<br>j. To give any person employed by the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company.<br>**To make contracts etc.**<br>k. To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.<br>**To make bye-laws**<br>l. From time to time, make, vary and repeal bye-laws for the regulations of the business for the Company, its officers and servants.<br>**To set aside profits for provided fund**<br>m. Before recommending any dividends, to set-aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities or compensations; or to create any provident fund or benefit fund in such or any other manner as the Directors may deem fit.<br>**To make and alter rules**<br>n. To make and alter rules and regulations concerning the time and manner of payments of the contributions of the employees and the Company respectively to any such fund and accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit.<br>o. And generally, at their absolute discretion, to do and perform every act and thing which they may consider necessary or expedient for the purpose of carrying on the business of the Company, excepting such acts and things as by Memorandum of Association of the Company or by these presents may stand prohibited. |
| **Managing Director** | 136. | a. Subject to the provisions of Section 196 ,197, 2(94), 203 of the Act, the following provisions shall apply:<br>b. The Board of Directors may appoint or re-appoint one or more of their body, not exceeding two, to be the Managing Director or Managing Directors of the Company for such period not exceeding 5 years as it may deem fit, subject to such approval of the Central Government as may be necessary in that behalf.<br>c. The remuneration payable to a Managing Director shall be determined by the Board of Directors subject to the sanction of the Company in General Meeting and of the Central Government, if required.<br>d. If at any time there are more than one Managing Director, each of the said Managing Directors may exercise individually all the powers and perform all the duties that a single Managing Director may be empowered to exercise or required to perform under the Companies Act or by these presents or by any Resolution of the Board of Directors and subject also to such restrictions or conditions as the Board may from time to time impose.<br>e. The Board of Directors may at any time and from time to time designate any Managing Director as Deputy Managing Director or Joint Managing Director or by such other designation as it deems fit.<br>f. Subject to the supervision, control and directions of the Board of Directors, the Managing Director/Managing Directors shall have the management of the whole of the business of the Company and of all its affairs and shall |

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| | | exercise all powers and perform all duties and in relation to the management of the affairs, except such powers and such duties as are required by Law or by these presents to be exercised or done by the Company in General Meeting or by the Board and also subject to such conditions and restrictions imposed by the Act or by these presents or by the Board of Directors. Without prejudice to the generality of the foregoing, the Managing Director/Managing Directors shall exercise all powers set out in Article 135 above except those which are by law or by these presents or by any resolution of the Board required to be exercised by the Board or by the Company in General Meeting. |
| **Whole-time Director** | 137. | 1. Subject to the provisions of the Act and subject to the approval of the Central Government, if any, required in that behalf, the Board may appoint one or more of its body, as Whole-time Director or Wholetime Directors on such designation and on such terms and conditions as it may deem fit. The Whole-time Directors shall perform such duties and exercise such powers as the Board may from time to time determine which shall exercise all such powers and perform all such duties subject to the control, supervision and directions of the Board and subject thereto the supervision and directions of the Managing Director. The remuneration payable to the Whole-time Directors shall be determined by the Company in General Meeting, subject to the approval of the Central Government, if any, required in that behalf.<br>2. A Whole-time Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be Whole-time Director, if he ceases to hold the Office of Director from any cause except where he retires by rotation in accordance with the Articles at an Annual General Meeting and is re-elected as a Director at that Meeting. |
| **Secretary** | 138. | The Board shall have power to appoint a Secretary a person fit in its opinion for the said office, for such period and on such terms and conditions as regards remuneration and otherwise as it may determine. The Secretary shall have such powers and duties as may, from time to time, be delegated or entrusted to him by the Board. |
| **Powers as to commencement of business** | 139. | Subject to the provisions of the Act, any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the Company, may be undertaken by the Board at such time or times as it shall think fit and further may be suffered by it to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business. |
| **Delegation of power** | 140. | Subject to Section 179 the Board may delegate all or any of its powers to any Director, jointly or severally or to any one Director at its discretion or to the Executive Director. |
| **BORROWING** | 141. | a. The Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that 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) shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set-apart for any specific purpose and in particular but subject to the provisions of Section 179 of the Act, the Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of |

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| | | sale and other powers as may be expedient and purchase, redeem or pay off any such security.<br>Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the Board of Directors, provided that subject to the provisions of clause next above, the Board may, from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of bonds, perpetual or redeemable debentures or debenture stock 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 land, building, bond or other property and security of the Company |
| **Assignment of debentures** | 142. | Such debentures, debenture stock, bonds or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued. |
| **Terms of debenture issue** | 143. | a. Any such debenture, debenture stock, bond or other security may be issued at a discount, premium or otherwise, and with any special privilege as the redemption, surrender, drawing, allotment of shares of the Company, or otherwise, provided that debentures with the right to allotment or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.<br>b. Any trust deed for securing of any debenture or debenture stock and or any mortgage deed and/or other bond for securing payment of moneys borrowed by or due by the Company and/or any contract or any agreement made by the Company with any person, firm, body corporate, Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the share capital of the Company or provide assistance in any other manner may provide for the appointment from time to time, by any such mortgagee, lender, trustee of or holders of debentures or contracting party as aforesaid, of one or more persons to be a Director or Directors of the Company. Such trust deed, mortgage deed, bond or contract may provide that the person appointing a Director as aforesaid may, from time to time, remove any Director so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debenture or on the termination of such contract and any person so appointed as Director under mortgage or bond or debenture trust deed or under such contract shall cease to hold office as such Director on the discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents.<br>c. The Director or Directors so appointed by or under a mortgage deed or other bond or contract as aforesaid shall be called a Mortgage Director or Mortgage Directors and the Director if appointed as aforesaid under the provisions of a debenture trust deed shall be called “Debenture Director”. The words “Mortgage” or “Debenture Director” shall mean the Mortgage Director for the time being in office. The Mortgage Director or Debenture Director shall not be required to hold any qualification shares and shall not be liable to retire by rotation or to be removed from office by the Company. Such mortgage deed or bond or trust deed or contract may contain such auxiliary provision as may be arranged between the Company and mortgagee lender, the trustee or contracting party, as the case may be, and all such provisions shall have effect notwithstanding any of the other provisions herein contained but subject to the provisions of the Act. |

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| | | d. The Directors appointed as Mortgage Director or Debenture Director or Corporate Director under the Article shall be deemed to be ex-officio Directors.<br>e. The total number of ex-officio Directors, if any, so appointed under this Article together with the other ex-officio Directors, if any, appointment under any other provisions of these presents shall not at any time exceed one-third of the whole number of Directors for the time being. |
| **Charge on uncalled capital** | 144. | Any uncalled capital of the Company may be included in or charged by mortgage or other security. |
| **Subsequent assignees of uncalled capital** | 145. | Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject such prior charge, and shall not be entitled, by notice to the shareholder or otherwise, to obtain priority over such prior charge. |
| **Charge in favour of Director of indemnity** | 146. | If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or other person so becoming liable as aforesaid from any loss in respect of such liability. |
| **Powers to be exercised by Board only at meeting** | 147. | a. Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said power shall be exercised only by resolution passed at the meetings of the Board.<br>(a) to make calls on shareholders in respect of money unpaid on their shares;<br>(b) to authorise buy-back of securities under section 68;<br>(c) to issue securities, including debentures, whether in or outside India;<br>(d) to borrow monies;<br>(e) to invest the funds of the company;<br>(f) to grant loans or give guarantee or provide security in respect of loans;<br>(g) to approve financial statement and the Board's report;<br>(h) to diversify the business of the company;<br>(i) to approve amalgamation, merger or reconstruction;<br>(j) to take over a company or acquire a controlling or substantial stake in another company;<br>(k) to make political contributions;<br>(l) to appoint or remove key managerial personnel (KMP);<br>(m) to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;<br>(n) to appoint internal auditors and secretarial auditor;<br>(o) to take note of the disclosure of director's interest and shareholding;<br>(p) to buy, sell investments held by the company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee company;<br>(q) to invite or accept or renew public deposits and related matters;<br>(r) to review or change the terms and conditions of public deposit;<br>(s) to approve quarterly, half yearly and annual financial statements or financial results as the case may be.<br>(t) such other business as may be prescribed by the Act.<br>b. The Board may by a meeting delegate to any Committee of the Board or to the Managing Director the powers specified in Sub-clauses, d, e and f above.<br>c. Every resolution delegating the power set out in Sub-clause d shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the said delegate.<br>d. Every resolution delegating the power referred to in Sub-clause e shall specify the total amount upto which the funds may be invested and the nature of investments which may be made by the delegate.<br>e. Every resolution delegating the power referred to in Sub-clause f above shall specify the total amount upto which loans may be made by the delegate, the purposes for which the loans may be made, and the maximum |

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| | | amount of loans that may be made for each such purpose in individual cases. |
| **Register of mortgage to be kept** | 148. | The Directors shall cause a proper register and charge creation documents to be kept in accordance with the provisions of the Companies Act, 2013 for all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of the said Act as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office. |
| **Register of holders of debentures** | 149. | Every register of holders of debentures of the Company may be closed for any period not exceeding on the whole forty five days in any year, and not exceeding thirty days at any one time. Subject as the aforesaid, every such register shall be open to the inspection of registered holders of any such debenture and of any member but the Company may in General Meeting impose any reasonable restriction so that at least two hours in every day, when such register is open, are appointed for inspection. |
| **Inspection of copies of and Register of Mortgages** | 150. | The Company shall comply with the provisions of the Companies Act, 2013, as to allow inspection of copies kept at the Registered Office in pursuance of the said Act, and as to allowing inspection of the Register of charges to be kept at the office in pursuance of the said Act. |
| **Supplying copies of register of holder of debentures** | 151. | The Company shall comply with the provisions of the Companies Act, 2013, as to supplying copies of any register of holders of debentures or any trust deed for securing any issue of debentures. |
| **Right of holders of debentures as to Financial Statements** | 152. | Holders of debentures and any person from whom the Company has accepted any sum of money by way of deposit, shall on demand, be entitled to be furnished, free of cost, or for such sum as may be prescribed by the Government from time to time, with a copy of the Financial Statements of the Company and other reports attached or appended thereto. |
| **Minutes** | 153. | a. The Company shall comply with the requirements of Section 118 of the Act, in respect of the keeping of the minutes of all proceedings of every General Meeting and every meeting of the Board or any Committee of the Board.<br>b. The Chairman of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company. |
| **Managing Director's power to be exercised severally** | 154. | All the powers conferred on the Managing Director by these presents, or otherwise may, subject to any directions to the contrary by the Board of Directors, be exercised by any of them severally. |
| **Manager** | 155. | Subject to the provisions of the Act, the Directors may appoint any person as Manager for such term not exceeding five years at a time at such remuneration and upon such conditions as they may think fit and any Manager so appointed may be removed by the Board. |
| **Common Seal** | 156. | The Board shall provide a common seal of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The common seal shall be kept at the Registered Office of the Company and committed to the custody of the Directors. |
| **Affixture of Common Seal** | 157. | The seal shall not be affixed to any instrument except by the authority of a resolution of the Board or Committee and unless the Board otherwise determines, every deed or other instrument to which the seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company, be signed by one Director and the Secretary in whose presence the seal shall have been affixed or such other person as may, from time to time, be authorised by the Board and provided nevertheless that any instrument bearing the seal of the Company issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority to issue the same provided also the counter signature of the Chairman or the Vice Chairman, which |

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| | | shall be sealed in the presence of any one Director and signed by him on behalf of the Company. |
| **Dividends And Reserves** | 158. | **Rights to Dividend**<br>The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these presents as to the Reserve Fund, shall be divisible among the equity shareholders. |
| **Declaration of Dividends** | 159. | The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board. |
| **What to be deemed net profits** | 160. | The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive. |
| **Interim Dividend** | 161. | The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company. |
| **Dividends to be paid out of profits only** | 162. | No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 123 of the Act. |
| **Reserve Funds** | 163. | a. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends and pending such application may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.<br>b. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as Reserve. |
| **Method of payment of dividend** | 164. | a. Subject to the rights of persons, if any, entitled to share with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid.<br>b. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations as paid on the share.<br>c. c. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date, such shares shall rank for dividend accordingly. |
| **Deduction of arrears** | 165. | The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls in relation to the shares of the Company or otherwise. |
| **Adjustment of dividend against call** | 166. | Any General Meeting declaring a dividend or bonus may make a call on the members of such amounts as the meeting fixes, 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 themselves, be set off against the call. |
| **Payment by cheque or warrant** | 167. | a. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through post directly to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named in the Register of Members or to such person and to such address of the holder as the joint holders may in writing direct.<br>b. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.<br>c. c. Every dividend or warrant or cheque shall be posted within thirty days from the date of declaration of the dividends. |
| **Retention in certain cases** | 168. | The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member in respect thereof or shall duly transfer the same.<br>**Receipt of joint holders**<br>A). Where any instrument of transfer of shares has been delivered to the Company for registration on holders, the Transfer of such shares and the same has not been registered by the Company, it shall, and notwithstanding anything contained in any other provision of the Act: |

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| | | a) transfer the dividend in relation to such shares to the Special Account referred to in Sections 123 and 124 of the Act, unless the Company is authorised by the registered holder, of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and<br>b) Keep in abeyance in relation to such shares any offer of rights shares under Clause(a) of Sub-section (1) of Section 62 of the Act, and any issue of fully paid-up bonus shares in pursuance of Sub-section (3) of Section 123 of the Act". |
| **Deduction of arrears** | 169. | Any one of two of the joint holders of a share may give effectual receipt for any dividend, bonus, or other money payable in respect of such share. |
| **Notice of Dividends** | 170. | Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act. |
| **Dividend not to bear interest** | 171. | No dividend shall bear interest against the Company. |
| **Unclaimed Dividend** | 172. | No unclaimed dividends shall be forfeited. Unclaimed dividends shall be dealt with in accordance to the provisions of Sections 123 and 124 of the Companies Act, 2013. |
| **Transfer of share not to pass prior Dividend** | 173. | Any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer. |
| **Capitalisation of Profits** | 174. | a) The Company in General Meeting, may on the recommendation of the Board, resolve:<br>1. that the whole or any part of any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Fund or any money, investment or other asset forming part of the undivided profits, including profits or surplus moneys arising from the realisation and (where permitted by law) from the appreciation in value of any Capital assets of the Company standing to the credit of the General Reserve, Reserve or any Reserve Fund or any amounts standing to the credit of the Profit and Loss Account or any other fund of the Company or in the hands of the Company and available for the distribution as dividend capitalised; and<br>2. that such sum be accordingly set free for distribution in the manner specified in Sub-clause (2) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.<br>b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in Subclause (3) either in or towards:<br>1. paying up any amount for the time being unpaid on any share held by such members respectively;<br>2. paying up in full unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportion aforesaid; or<br>3. partly in the way specified in Sub-clause (i) and partly in that specified in Sub-clause (ii).<br>c) A share premium account and a capital redemption reserve account may for the purpose of this regulation be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.<br>d) The Board shall give effect to resolutions passed by the Company in pursuance of this Article. |
| **Powers of Directors for declaration of Bonus** | 175. | a. Whenever such a resolution as aforesaid shall have been passed, the Board shall:<br>1. make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue or fully paid shares if any; and<br>2. generally do all acts and things required to give effect thereto.<br>b. The Board shall have full power:<br>1. to make such provision by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions and also; |

| Title of Articles | Article Number | Content |
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| | | 2. to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively credited as fully paid-up of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on the existing shares.<br>c. Any agreement made under such authority shall be effective and binding on all such members. |
| **Books of account to be kept** | 176. | a. The Board shall cause proper books of accounts to be kept in respect of all sums of money received and expanded by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Company, and of the assets and liabilities of the Company.<br>b. All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch as the case may be, with respect to the matters aforesaid, and explain in transactions.<br>c. The books of accounts shall be open to inspection by any Director during business hours. |
| **Where books of account to be kept** | 177. | The books of account shall be kept at the Registered Office or at such other place as the Board thinks fit. |
| **Inspection by members** | 178. | The Board shall, from time to time, determine whether and to what extent and at what time and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspection any account or book or document of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting. |
| **Statement of account to be furnished to General Meeting** | 179. | The Board shall lay before such Annual General Meeting , financial statements made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extension of time as shall have been granted by the Registrar under the provisions of the Act. |
| **Financial Statements** | 180. | Subject to the provisions of Section 129, 133 of the Act, every financial statements of the Company shall be in the forms set out in Parts I and II respectively of Schedule III of the Act, or as near thereto as circumstances admit. |
| **Authentication of Financial Statements** | 181. | a. Subject to Section 134 of the Act, every financial statements of the Company shall be signed on behalf of the Board by not less than two Directors.<br>b. The financial statements shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon. |
| **Auditors Report to be annexed** | 182. | The Auditor's Report shall be attached to the financial statements. |
| **Board's Report to be attached to Financial Statements** | 183. | a. Every financial statement laid before the Company in General Meeting shall have attached to it a report by the Board with respect to the state of the Company's affairs, the amounts, if any, which it proposes to carry to any reserve either in such Balance Sheet or in a subsequent Balance Sheet and the amount, if any, which it recommends to be paid by way of dividend.<br>b. The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries, deal with any change which has occurred during the financial year in the nature of the Company's business or that of the Company's subsidiaries and generally in the classes of business in which the Company has an interest and material changes and commitments, if any, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report.<br>c. The Board shall also give the fullest information and explanation in its report or in case falling under the provision of Section 134 of the Act in an |

| Title of Articles | Article Number | Content |
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| | | addendum to that Report on every reservation, qualification or adverse remark contained in the Auditor's Report.<br>d. The Board's Report and addendum, if any, thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not authorised, shall be signed by such number of Directors as is required to sign the Financial Statements of the Company under Article 181.<br>e. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Sub-clauses (a) to (e) of this Article are complied with. |
| **Right of member to copies of Financial Statements** | 184. | The Company shall comply with the requirements of Section 136. |
| **Annual Returns** | 185. | The Company shall make the requisite annual return in accordance with Section 92 of the Act. |
| **Audit** | 186. | **Accounts to be audited**<br>a. Every Financial Statement shall be audited by one or more Auditors to be appointed as hereinafter mentioned.<br>b. Subject to provisions of the Act, The Company at the Annual General Meeting shall appoint an Auditor or Firm of Auditors to hold office from the conclusion of that meeting until the conclusion of the fifth Annual General Meeting and shall, within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is a retiring Auditor.<br>c. At every Annual General Meeting, reappointment of such auditor shall be ratified by the shareholders.<br>d. Where at an Annual General Meeting no Auditors are appointed or reappointed, the Central Government may appoint a person to fill the vacancy.<br>e. The Company shall, within seven days of the Central Government's power under Sub-clause (d) becoming exercisable, give notice of that fact to that Government.<br>f. 1. The first Auditor or Auditors of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.<br>Provided that the Company may at a General Meeting remove any such Auditor or all or any of such Auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any such member of the Company and of whose nomination notice has been given to the members of the Company, not less than 14 days before the date of the meeting; and<br>2. If the Board fails to exercise its power under this Sub-clause, the Company in General Meeting may appoint the first Auditor or Auditors.<br>g. The Directors may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the remaining Auditor or Auditors, if any, may act, but where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.<br>h. A person other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless Special Notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 115 of the Act and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all other provisions of Section140 of the Act shall apply in the matter. The provisions of this Sub-clause shall also apply to a resolution that retiring Auditor shall be reappointed.<br>i. The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.<br>j. Subject to the provisions of Section 146 of the Act, the Auditor of the company shall attend general meetings of the company. |

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| **Audit of Branch Offices** | 187. | The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of Branch Offices of the Company. |
| **Remuneration of Auditors** | 188. | The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any Auditor appointed to fill and casual vacancy may be fixed by the Board. |
| **Rights and duties of Auditors** | 189. | (a) Every Auditor of the Company shall have a right of access at all times to the books of accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanations as may be necessary for the performance of his duties as Auditor.<br>(b) All notices of, and other communications relating to any General Meeting of a Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor, and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.<br>(c) The Auditor shall make a report to the members of the Company on the accounts examined by him and on Financial statements and on every other document declared by this Act to be part of or annexed to the Financial statements, which are laid before the Company in General Meeting during his tenure of office, and the report shall state whether, in his opinion and to the best of his information and according to explanations given to him, the said accounts give the information required by this Act in the manner so required and give a true and fair view:<br>1. in the case of the Balance Sheet, of the state of affairs as at the end of the financial year and<br>2. in the case of the Statement of Profit and Loss, of the profit or loss for its financial year.<br>(d) The Auditor's Report shall also state:<br>(a) whether he has sought and obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit and if not, the details thereof and the effect of such information on the financial statements;<br>(b) whether, in his opinion, proper books of account as required by law have been kept by the company so far as appears from his examination of those books and proper returns adequate for the purposes of his audit have been received from branches not visited by him;<br>(c) whether the report on the accounts of any branch office of the company audited under sub-section (8) by a person other than the company's auditor has been sent to him under the proviso to that sub-section and the manner in which he has dealt with it in preparing his report;<br>(d) whether the company's balance sheet and profit and loss account dealt with in the report are in agreement with the books of account and returns;<br>(e) whether, in his opinion, the financial statements comply with the accounting standards;<br>(f) the observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the company;<br>(g) whether any director is disqualified from being appointed as a director under sub-section (2) of section 164;<br>(h) any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;<br>(i) whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;<br>(j) whether the company has disclosed the impact, if any, of pending litigations on its financial position in its financial statement;<br>(k) whether the company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts; |

| Title of Articles | Article Number | Content |
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| | | (l) whether there has been any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.<br>(e) Where any of the matters referred to in Clauses (i) and (ii) of Sub-section (2) of Section 143 of the Act or in Clauses (a), (b) and (c) of Sub-section (3) of Section 143 of the Act or Sub-clause (4) (a) and (b) and (c) hereof is answered in the negative or with a qualification, the Auditor's Report shall state the reason for such answer.<br>(f) The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company. |
| **Accounts whether audited and approved to be conclusive** | 190. | Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the accounts shall forthwith be corrected, and henceforth be conclusive. |
| **Service of documents on the Company** | 191. | A document may be served on the Company or any officer thereof by sending it to the Company or officer at the Registered Office of the Company by Registered Post, or by leaving it at the Registered Office or in electronic mode in accordance with the provisions of the act. |
| **How documents to be served to members** | 192. | a) A document (which expression for this purpose shall be deemed to included and shall include any summons, notice, requisition, process, order judgement or any other document in relation to or the winding up of the Company) may be served personally or by sending it by post to him to his registered address or in electronic mode in accordance with the provisions of the act., or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for the giving of notices to him.<br>b) All notices shall, with respect to any registered shares to which persons are entitled jointly, be given to whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares.<br>c) Where a document is sent by post:<br>i. i.service thereof shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that documents should be sent to him under a Certificate of Posting or by Registered Post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents shall not be deemed to be effected unless it is sent in the manner intimated by the member, and such service shall be deemed to have been effected;<br>a. a.in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the notice is posted, and<br>b. b.in any other case, at the time at which the letter should be delivered in the ordinary course of post. |
| **Members to notify address in India** | 193. | Each registered holder of share(s) shall, from time to time, notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence. |
| **Service on members having no registered address in India** | 194. | If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears. |
| **Service on persons acquiring shares on death or insolvency of members** | 195. | A document may be served by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of deceased or assignees of the insolvent or by any like descriptions at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) |

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| | | by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred. |
| **Notice valid though member deceased** | 196. | Any notice of document delivered or sent by post or left at the registered address of any member in pursuance of these presents shall, notwithstanding that such member by then deceased and whether or not the Company has notice of his decease, be deemed to have been duly served in respect of any registered share whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or on her heirs, executors or administrators, and all other persons, if any, jointly interested with him or her in any such share. |
| **Persons entitled to Notice of General Meeting** | 197. | Subject to the provisions of Section 101 the Act and these Articles, notice of General Meeting shall be given to;<br>a) every member of the company, legal representative of any deceased member or the assignee of an insolvent member;<br>b) the auditor or auditors of the company; and<br>c) every director of the company.<br>Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting. |
| **Advertisement** | 198. | a. Subject to the provisions of the Act, any document required to be served on or sent to the members, or any of them by the Company and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district where the Registered Office of the Company is situated.<br>b. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered in the Register shall be duly given to the person from whom he derived his title to such share or stock. |
| **Transference, etc. bound by prior notices** | 199. | Every person, who by the operation of law, transfer, or other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such share which previously to his name and address being entered in the Register, shall have been duly served on or sent to the person from whom he derives his title to the share. |
| **How notice to be signed** | 200. | Any notice to be given by the Company shall be signed by the Managing Director or by such Director or officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed. |
| **Authentication of document and proceeding** | 201. | Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, or the Managing Director or an authorised officer of the Company and need not be under its seal. |
| **Winding up** | 202. | Subject to the provisions of the Act as to preferential payments, the assets of a Company shall, on its winding-up be applied in satisfaction of its liabilities pari-passu and, subject to such application, shall, unless the articles otherwise provide, be distributed among the members according to their rights and interests in the Company. |
| **Division of assets of the Company in specie among members** | 203. | If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the contributories, in specie or kind, and part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators with the like sanction shall think fit. In case any shares, to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may, within ten days after the passing of the Special Resolution by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly. |
| **Indemnity And Responsibility** | 204. | **Directors' and others' right to indemnity**<br>a. Subject to the provisions of Section 197 of the Act every Director, Manager, Secretary and other officer or employee of the Company shall be |

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| | | indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses, and expenses (including travelling expenses) which Service of documents on the Company any such Director, officer or employee may incur or becomes liable to by reason of any contract entered into or act or deed done by him or any other way in the discharge of his duties, as such Director, officer or employee.<br>b. Subject as aforesaid, every Director, Manager, Secretary, or other officer/employee of the Company shall be indemnified against any liability, incurred by them or him in defending any proceeding whether civil or criminal in which judgement is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is given to him by the Court and without prejudice to the generality of the foregoing, it is hereby expressly declared that the Company shall pay and bear all fees and other expenses incurred or incurrable by or in respect of any Director for filing any return, paper or document with the Registrar of Companies, or complying with any of the provisions of the Act in respect of or by reason of his office as a Director or other officer of the Company. |
| | 205. | Subject to the provisions of Section 197 of the Act, no Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company, or for the insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any money invested, or for any loss or damages arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part of for any loss or damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own act or default. |
| **Secrecy Clause** | 206. | a. No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interests of the Company to communicate to the public.<br>b. Every Director, Managing Director, Manager, Secretary, Auditor, Trustee, Members of a Committee, Officers, 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, or at any time during his term of office sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of accounts 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 duties except when required so to do by the Board or by any General Meeting or by a Court of Law or by the persons 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. |
| **Registers, Inspection and copies Thereof** | 207. | a. Any Director or Member or person can inspect the statutory registers maintained by the company, which may be available for inspection of such Director or Member or person under provisions of the act by the company, provided he gives fifteen days' notice to the company about his intention to do so.<br>b. Any, Director or Member or person can take copies of such registers of the company by paying ₹ 10 per Page to the company. The company will take steps to provide the copies of registers to such person within Fifteen days of receipt of money. |

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| **General Authority** | 208. | Wherever in the applicable provisions under the Act, it has been provided that, any Company shall have any right, authority or that such Company could carry out any transaction only if the Company is authorised by its Articles, this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific regulation or clause in that behalf in this articles. |

## SECTION XIV – OTHER INFORMATION

## MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus, will be delivered to the ROC for registration of the Prospectus and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Plot No-235 Industrial Area Phase-2 Panchkula Haryana 134109 India; from date of filing the Prospectus with ROC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

### A. MATERIAL CONTRACTS

1. Memorandum of understanding dated March 15, 2021 between our Company and the Lead Manager.
2. Agreement dated February 17, 2021 between our Company and the Registrar to the Issue.
3. Underwriting Agreement dated March 15, 2021 between our Company, the Lead Manager, and Underwriter.
4. Market Making Agreement dated March 15, 2021 between our Company and Market Maker.
5. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated January 29, 2021.
6. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated March 05, 2021.
7. Banker's to the Issue Agreement dated [●] between our Company, the Lead Manager, Bankers to the Issue and Refund Banker and the Registrar to the Issue.

### B. MATERIAL DOCUMENTS

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Board Resolution dated February 01, 2021and Special Resolution passed pursuant to Section 62(1)(C) of the Companies Act, 2013 at the EoGM by the shareholders of our Company held on March 01, 2021.
3. Statement of Tax Benefits dated July 19, 2021 issued by our Statutory Auditors M M/s Deepak Jindal & Co., Chartered Accountants, Chandigarh.
4. Copy of Restated Financial Statement along with Report from the peer review certified auditor – M/s Deepak Jindal & Co., Chartered Accountants, Chandigarh for the Year ended on March 31, 2021, 2020 and 2019 dated August 07, 2021 included in the Draft Prospectus.
5. Copy of Certificate from M/s Deepak Jindal & Co., Chartered Accountants, Chandigarh dated August 02, 2021, regarding the source and deployment of funds up to July 31, 2021 towards the objects of the offer.
6. Copy of Audited Financial Statement for the financial years ended on March 31,; 2021, 2020 and 2019.
7. Consent of Promoter, Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer review Auditor, Legal Advisor to the Issue, Bankers to our Company, [●], Lead Manager to the Issue and Underwriter, Registrar to the Issue, Market Maker to include their names in the Draft Prospectus to act in their respective capacities.
8. Due Diligence Certificate from Lead Manager dated August 9, 2021 addressing NSE.
9. Copy of Board Resolutions and Shareholders' Resolutions for appointment and fixing of remunerations of Mr. Rakesh Kumar as Chairman cum Managing Director; Mrs. Rekha Bansal as Whole-Time Director.
10. Copy of In-principle approval letter dated [●] from the NSE.

Any of the contracts or documents mentioned in the Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

**Signed by the Directors of the Company:**

| Name | Designation | Signature |
|---|---|---|
| Mr. Rakesh Kumar | Chairman cum Managing Director | Sd/- |
| Mrs. Rekha Bansal | Whole-Time Director | Sd/- |
| Mr. Dhruv Rakesh | Executive Director | Sd/- |
| Mr. Jeenendra Prakash Singhvi | Independent Director | Sd/- |
| Mr. Khagesh Kaushal | Independent Director | Sd/- |

**Signed by:**

| Name | Designation | Signature |
|---|---|---|
| Mr. Baljeet Singh | Chief Financial Officer | Sd/- |
| Ms. Amanpreet Kaur | Company Secretary & Compliance Officer | Sd/- |

**Place: Haryana**
**Date: August 09, 2021**

"Annexure A"

## FORMAT FOR DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY BEELINE BROKING LIMITED SHALL BE READ AS UNDER:

**TABLE 1**

| Sr. No. | Issue Name | Issue Size (₹ in Cr.) | Issue Price (₹) | Listing Date | Opening Price on Listing Date (₹) | +/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing | +/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing | +/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing |
|---|---|---|---|---|---|---|---|---|
| 1. | Ranjeet Mechatronics Limited | 4.500 | 25.00 | September 26, 2018 | 27.50 | +42.40% (-7.81%) | + 27.60% (-1.68%) | +45.60% (+4.44%) |
| 2. | Shubham Polyspin Limited | 6.000 | 40.00 | October 12, 2018 | 41.80 | +6.25% (+1.45%) | +2.50% (+3.21%) | +12.50% (+12.11%) |
| 3. | Axita Cotton Limited | 10.512 | 60.00 | January 10, 2019 | 61.00 | +0.50% (+2.41%) | +29.67% (+7.66%) | +30.00% (+7.24%) |
| 4. | Chandra Bhagat Pharma Limited | 10.200 | 51.00 | February 14, 2020 | 51.70 | -20.98% (-20.55%) | -16.67% (-22.42%) | -7.84% (-8.71%) |
| 5. | Laxmi Goldorna House Limited | 8.280 | 15.00 | April 16, 2020 | 15.00 | +0.33% (+2.88%) | +7.33% (+13.06%) | 2.66% (+23.78%) |
| 6. | Sigma Solve Limited | 4.955 | 45.00 | October 19, 2020 | 46.00 | 0.00% (+8.43%) | -3.89% (+21.57%) | -10.93% (+23.67%) |
| 7. | MRP Agro Limited | 3.240 | 40.00 | February 18, 2021 | 39.75 | -3.25% (-2.97%) | -12.50% (-3.40%) | - |
| 8. | Abhishek Integrations Limited | 4.950 | 50.00 | June 21, 2021 | 40.00 | -38.80% (0.04%) | - | - |
| 9. | Walpar Nutritions Limited | 6.600 | 55.00 | July 13, 2021 | 59.95 | - | - | - |

**Note:**

1. Price on BSE are considered for all above calculations except for prices of equity shares of Laxmi Goldorna House Limited, Sigma Solve Limited, Abhishek Integrations Limited and Walpar Nutritions Limited which are listed on Emerge platform of National Stock Exchange of India Limited (NSE).
2. The S&P NSE Sensex and NSE Nifty are considered as the Benchmark.
3. "Issue Price" is taken as "Base Price" for calculating % Change in Closing Price of the respective Issues on 30th / 90th/180th Calendar days from listing.
4. "Closing Benchmark" on the listing day of respective scripts is taken as "Base Benchmark" for calculating % Change in Closing Benchmark on 30th / 90th/180th Calendar days from listing. Although it shall be noted that for comparing the scripts with Benchmark, the +/- % Change in Closing Benchmark has been calculated based on the Closing Benchmark on the same day as that of calculated for respective script in the manner provided in Note No. 5 below.
5. In case 30th/ 90th/180th day is not a trading day, closing price on BSE/NSE of the previous trading day for the respective Scripts has been considered, however, if scripts are not traded on that previous trading day then last trading price has been considered.

## SUMMARY STATEMENT OF DISCLOSURE

**TABLE 2**

| Financial Year | Total No. of IPOs | Total Funds Raised (₹ in Cr.) | Nos. of IPO trading at discount as on 30th calendar day from listing date | | | Nos. of IPO trading at premium as on 30th calendar day from listing date | | | Nos. of IPO trading at discount as on 180th calendar day from listing date | | | Nos. of IPO trading at premium as on 180th calendar day from listing date | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% |
| 2021-22 | 2 | 11.55 | - | 1 | - | - | - | - | - | - | - | - | - | - |
| 2020-21 | 2 | 8.195 | - | - | 1 | - | - | 1 | - | - | 1 | - | - | - |
| 2019-20 | 2 | 18.480 | - | - | 1 | - | - | 1 | - | - | 1 | - | - | 1 |
| 2018-19 | 3 | 21.012 | - | - | - | - | 1 | 2 | - | - | - | - | 2 | 1 |

Note: Issue opening date is considered for calculation of total number of IPO's in the respective financial year.